



## LOSS PREVENTION UPDATE

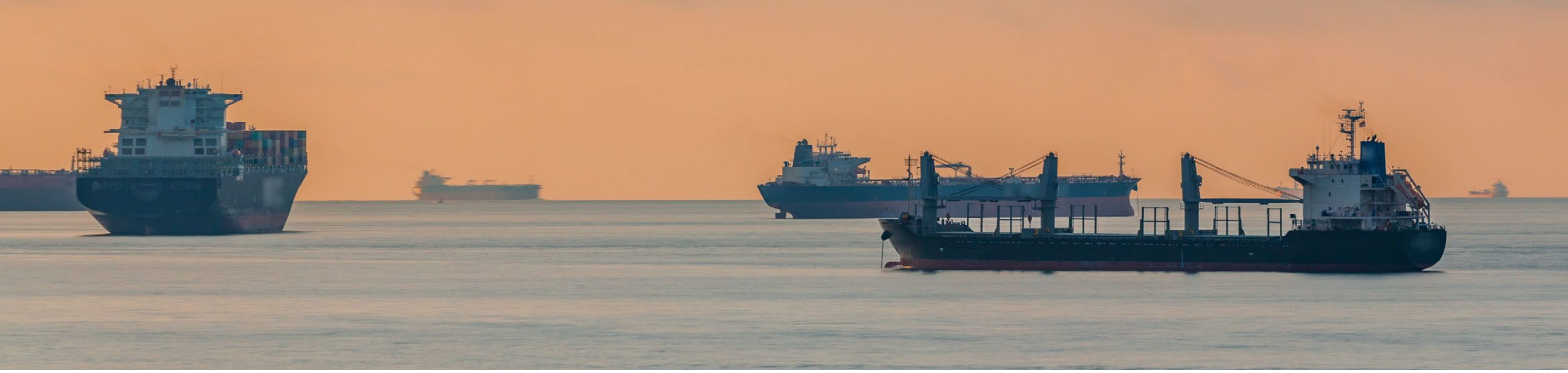
### DRUG TRAFFICKING – AN ONGOING PROBLEM FOR SHIPPING

As global maritime trade becomes increasingly interconnected, the risks associated with security threats in the industry have become more complex and multifaceted. Recognising this evolving landscape, the Britannia loss prevention team has partnered with Africa Risk Compliance Limited (ARC) to provide regular updates on maritime security threats across key hotspots. Through this collaboration, Britannia and ARC aim to enhance awareness and readiness among maritime stakeholders, providing valuable insights into how transnational criminal organisations (TCOs) target shipping as part of a broader strategy to access global markets and distribute illicit drugs. This partnership highlights the importance of adapting security strategies in a way that aligns with today's increasingly sophisticated threats.

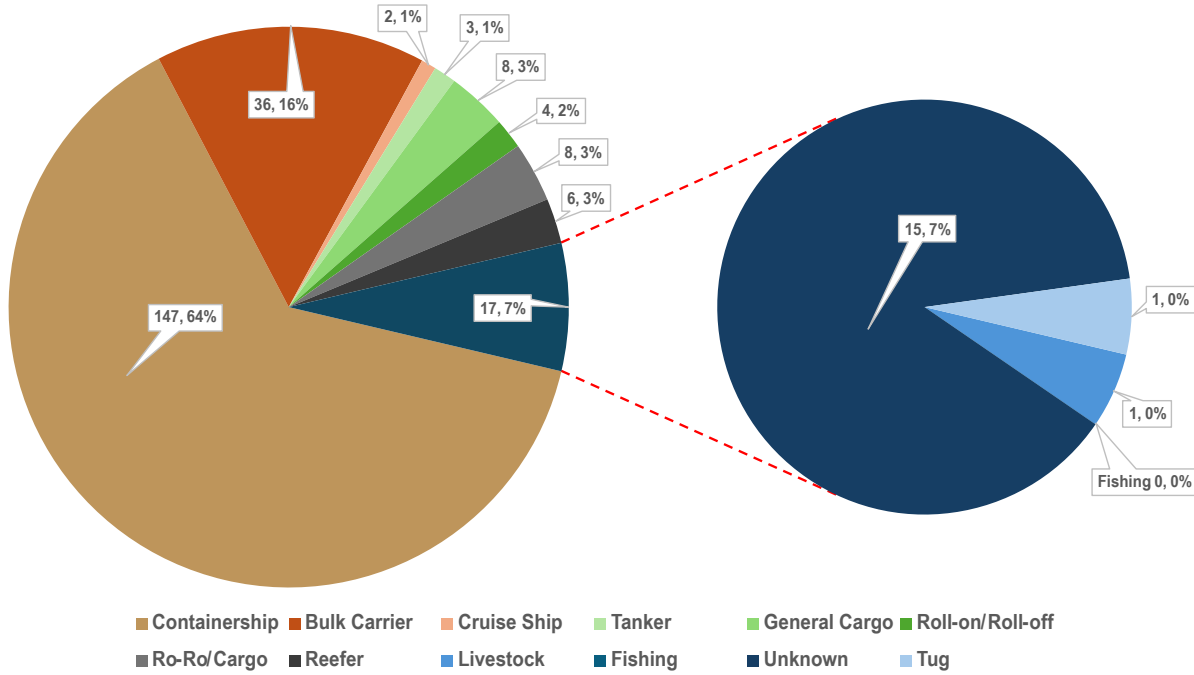
#### UNDERSTANDING THE GLOBAL DRUG TRAFFICKING THREAT

For transnational criminal organisations, the global shipping industry presents an invaluable opportunity. Ships connect global markets and transport enormous quantities of goods, enabling TCOs to exploit established trade routes to transport illicit drugs, particularly cocaine, to target markets worldwide. Criminals often possess a deep understanding of liner services and commodity markets, allowing them to target specific vessels and routes with precision. This intelligence enables them to move drugs along the paths that are likely to ensure successful smuggling operations.

All types of vessels are at risk of being targeted, making this a pervasive threat across the maritime industry. Containerships, due to their fixed schedules and access to major European ports, are particularly vulnerable, as criminals take advantage of their predictable routes. Bulk carriers, which transport raw materials to emerging markets, are also used as "mules," often carrying drugs to intermediate countries before reaching final destinations. The widespread targeting of diverse vessel types highlights how TCOs have become adept at exploiting the industry's structure to meet their goals.



### TYPES OF VESSELS AFFECTED IN DRUG SMUGGLING CASES 2023



### TYPES OF VESSELS AFFECTED IN DRUG SMUGGLING CASES 2024

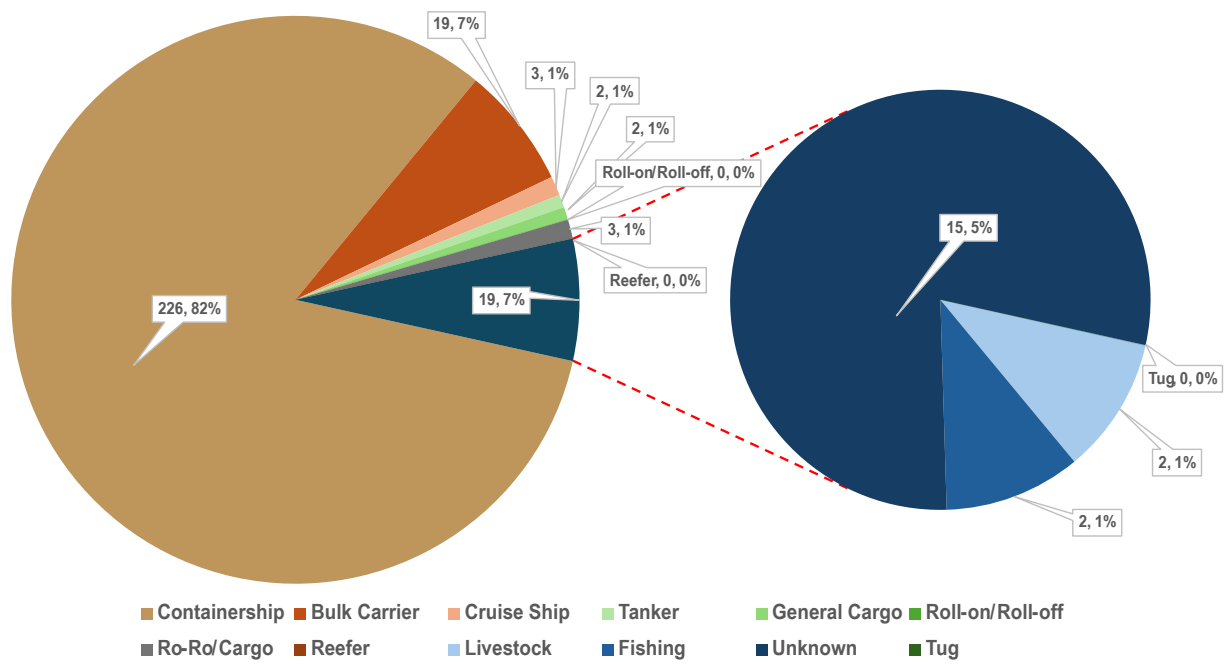
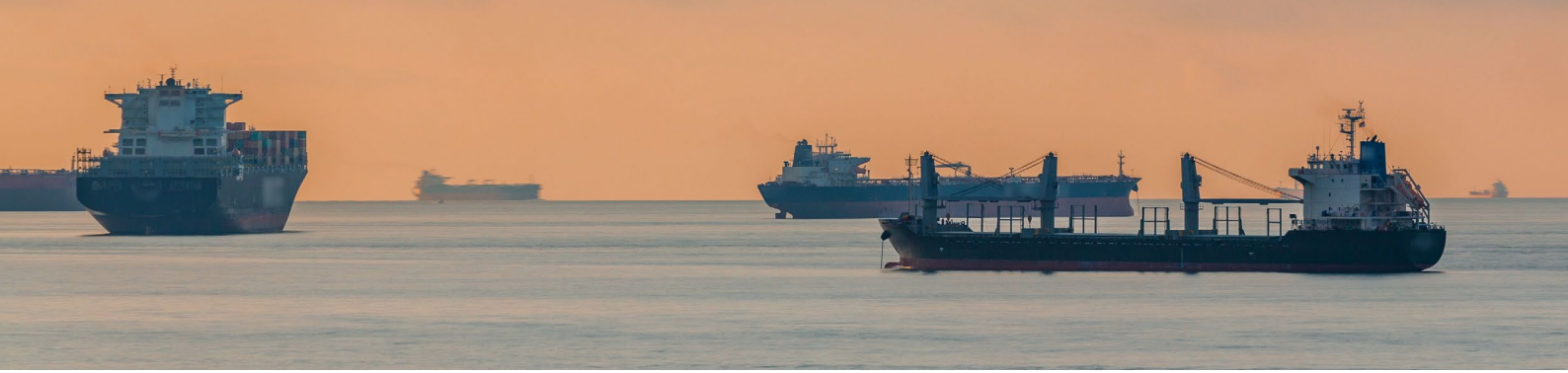


FIGURE 1 – Types of Vessels Affected in Drug Smuggling Cases 2023 / 2024 by number and percentage of total – Information supplied by ARC.



## THE SHIFT IN SMUGGLING ROUTES AND EMERGING HOTSPOTS

Ports with a long history of drug seizures, such as Rotterdam, Antwerp, and Algeciras, continue to record significant confiscations of cocaine and other illicit drugs. However, increased security measures in these established hotspots have encouraged TCOs to diversify their operations. ARC has observed a growing trend in drug smuggling through ports in regions that have not traditionally been regarded as high-risk. For example, an increase in cocaine seizures has been recorded at ports in Turkey, Eastern Europe, and North and West Africa. These ports now serve as key transit points, where drugs are temporarily stored or re-routed before continuing to more profitable markets. The strategic shift underscores the adaptability of TCOs and their willingness to leverage any location with weaker security protocols as part of the smuggling chain.

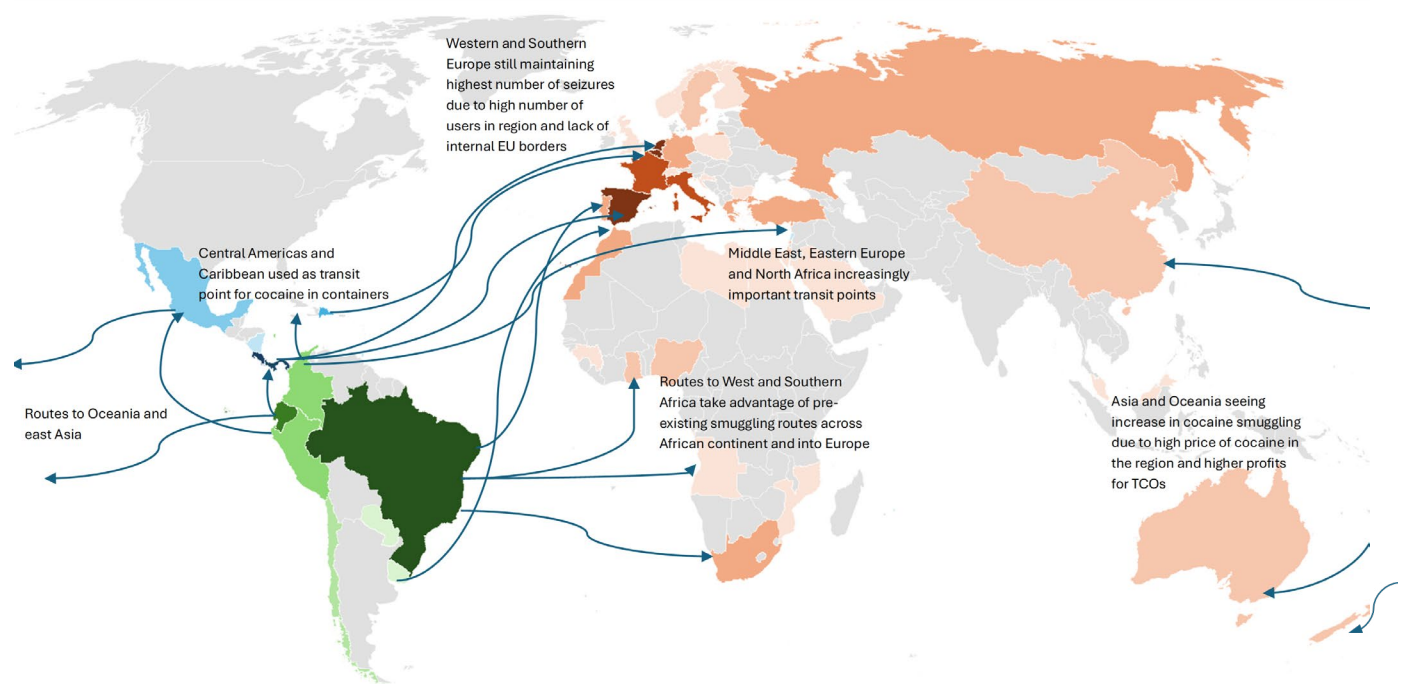
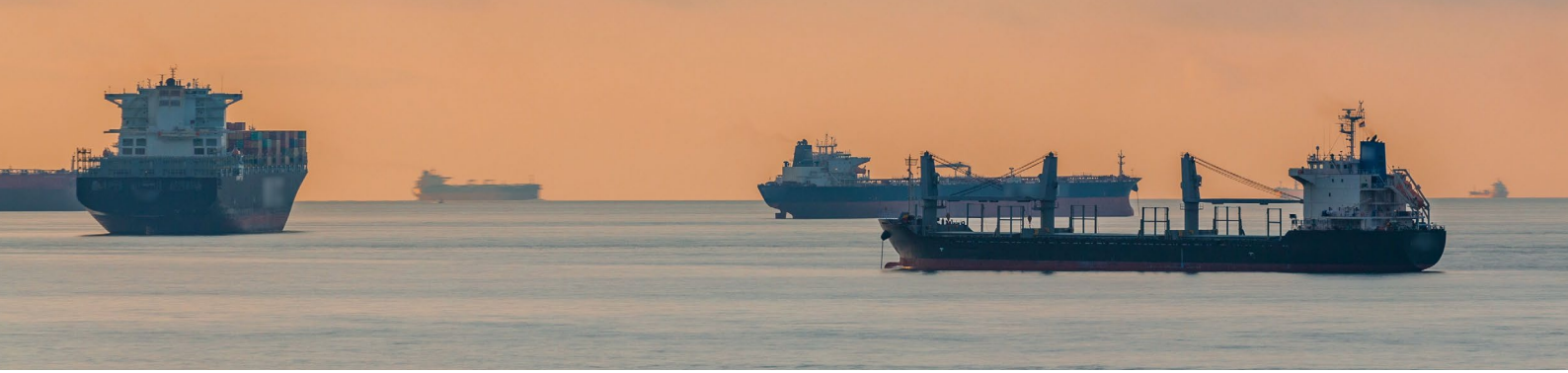


FIGURE 2 – AI generated Smuggling Routes and Emerging Hotspots - The darker the colour of a country, the greater the number of seizures in that country in that region.

## THE WIDESPREAD IMPLICATIONS FOR SHIPPING COMPANIES AND CREW WELFARE

The risk posed by drug smuggling operations extends far beyond the financial losses that may arise from vessel detention. While the seizure of a ship or its cargo can indeed result in significant costs for a shipping company, the impact on crew welfare is equally concerning. The criminalisation of seafarers, individuals who are often unaware of the drugs onboard or pressured into complicity by TCOs, has a devastating effect on mental and physical wellbeing.

ARC is currently monitoring multiple cases in which seafarers have been detained in foreign countries, facing lengthy legal battles and uncertain outcomes. Among the most troubling cases is a group of seafarers who have been held since 2019. Recently, the criminalisation of a vessel's Master and Chief Officer in Turkey, following the discovery of drugs onboard, has further highlighted the seriousness of the situation. Such incidents have an outsized impact on the crew, exposing them to prolonged detention, loss of livelihood and psychological trauma.



The potential criminalisation of seafarers poses a significant challenge to industry efforts aimed at attracting and retaining skilled maritime professionals.

### THE ISPS CODE AND THE “WEAK LINK” PERCEPTION

Despite the global shipping industry’s commitment to safety and security, current frameworks often fall short of addressing the realities of drug smuggling threats. The International Ship and Port Facility Security (ISPS) code is a key instrument designed to secure international trade, but its limited guidance on drug smuggling risk often leaves shipping companies with little direction. Under the ISPS code, multiple stakeholders, including shipowners, port authorities, and national governments, are responsible for enforcing security measures. However, shipowners often receive disproportionate scrutiny in security-related incidents, while port facilities lag in implementing and maintaining adequate protections.

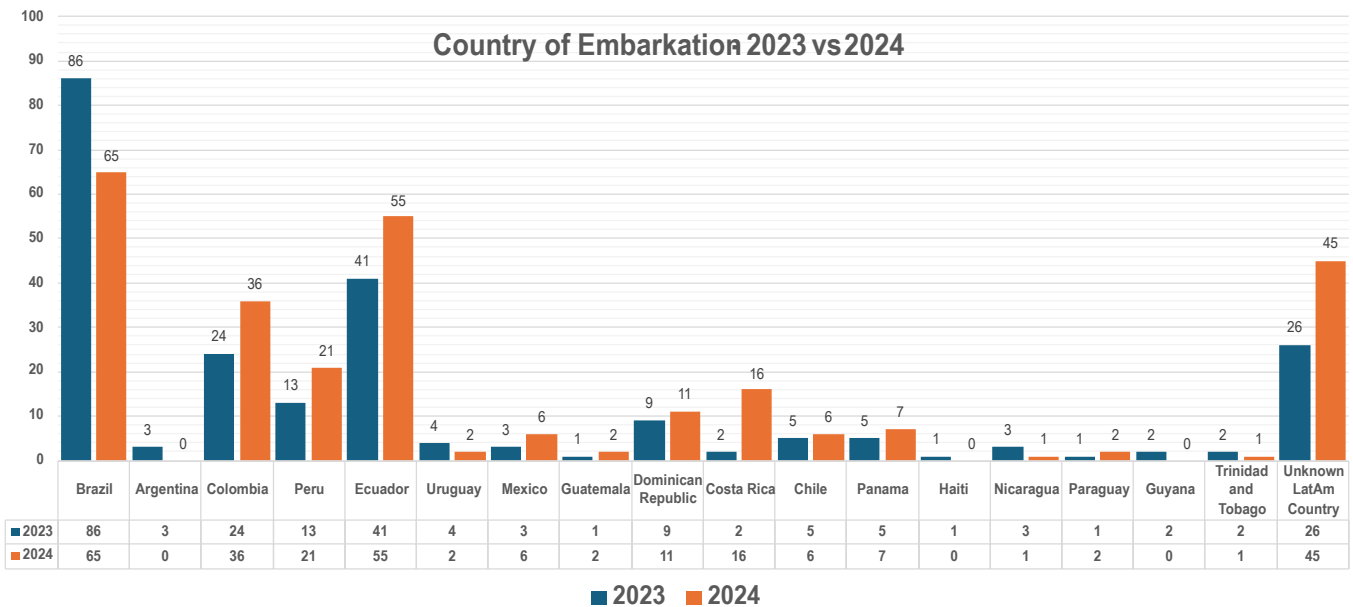


FIGURE 3 – Countries of Embarkation of Drugs Cases 2023 / 2024 – Information supplied by ARC.

Inconsistent ISPS compliance across ports also contributes to a spillover effect, where insecurity at one port increases the vulnerability of the next. This lack of uniform security practices across ports can inadvertently create “safe havens” for smuggling operations. Moreover, seafarers are frequently regarded as the “weak link” in the security chain, given their proximity to cargo and access to critical areas of the ship. This perception leads to an unreasonable burden on crew members, who are often expected to carry out security responsibilities without adequate resources, training or support. As a result, seafarers are frequently targeted by both criminal networks seeking to exploit this “weak link” and by authorities attempting to demonstrate their commitment to enforcement.

It is extremely difficult to accurately gauge the total volume of drugs being smuggled via ships due to the clandestine nature of the threat. Changes in figures could either show a real change in volume or could be a reflection of how efficient law enforcement is in a particular country or port. It is therefore likely that countries with less effective law enforcement are experiencing a much higher amount of drug smuggling than these figures suggest.

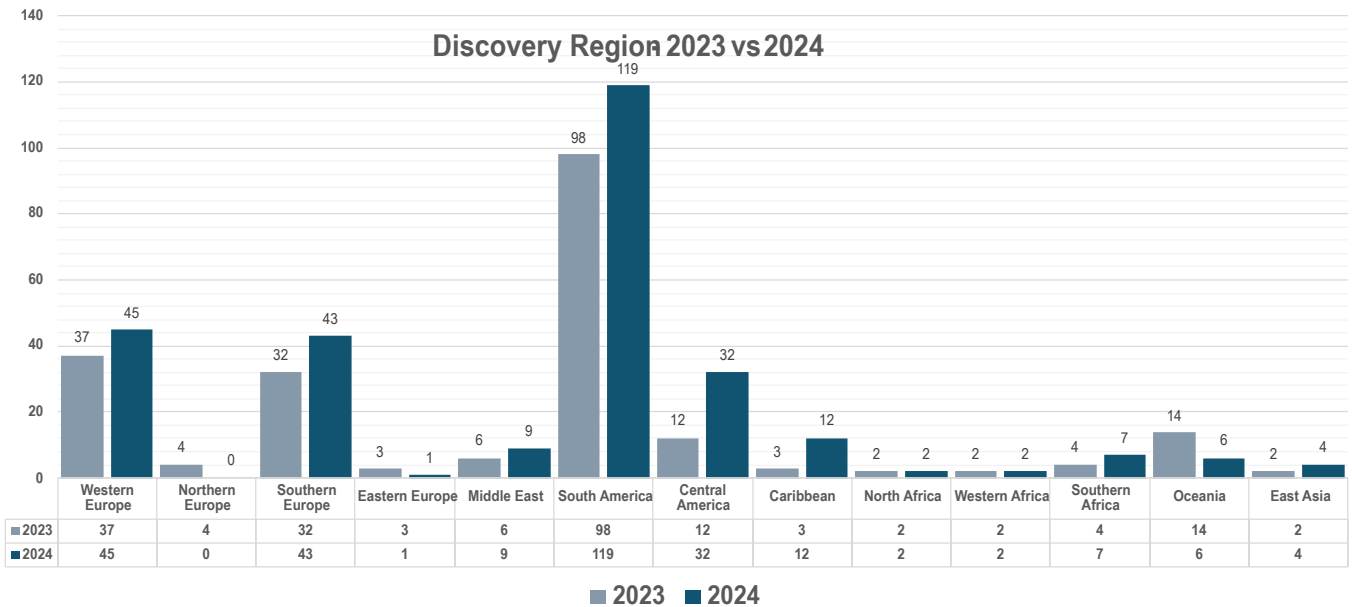
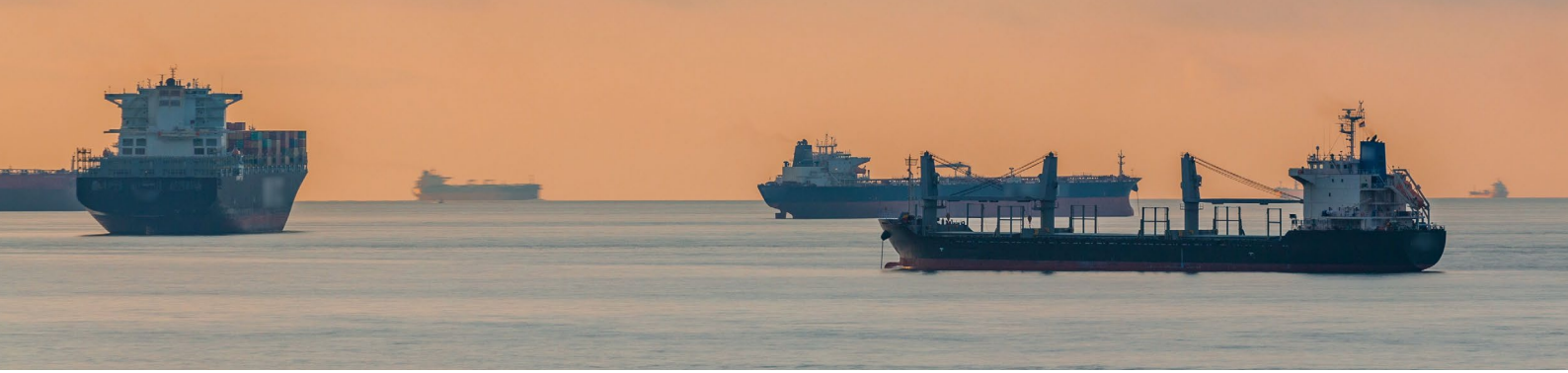


FIGURE 4 – Discovery Region of Drugs Cases 2023 / 2024 – Information supplied by ARC.

## THE UNIQUE FINANCIAL CHALLENGES FOR SHIPOWNERS

A key distinction between drug smuggling and other security threats, such as piracy, is the financial implications for shipowners. Unlike piracy, where shipowners can often recover costs through insurance claims, drug smuggling cases may not be eligible for coverage. Insurance claims are frequently denied if evidence suggests that crew members were complicit, regardless of whether they were coerced or threatened. This uncertainty places an enormous financial burden on shipowners, who are often left to bear the costs of legal proceedings, fines and vessel delays without recourse. Additionally, convincing charterers to invest in heightened security measures at high-risk ports can be challenging, leaving the responsibility largely on the shipowner to safeguard against these threats.

## ADDRESSING THE HUMAN AND COMMERCIAL COSTS OF DRUG SMUGGLING IN THE MARITIME INDUSTRY

Given the complexity of modern drug smuggling networks, the maritime industry faces a dual challenge, protecting commercial interests while also safeguarding the welfare of its seafarers. By staying informed about emerging hotspots, adapting security protocols, and investing in crew welfare, the industry can begin to address the commercial and human impacts of drug smuggling.

Shipping companies must consider not only the costs associated with lost cargo and vessel delays but also the potential for long-term damage to crew morale, recruitment efforts, and industry reputation. Protecting seafarers from the risks associated with smuggling activities is crucial, as is ensuring that the burden of security does not fall disproportionately on those least equipped to bear it. This means advocating for more equitable security responsibilities among stakeholders, pushing for consistent ISPS implementation across ports, and ensuring that seafarers receive the necessary support to handle complex security situations.

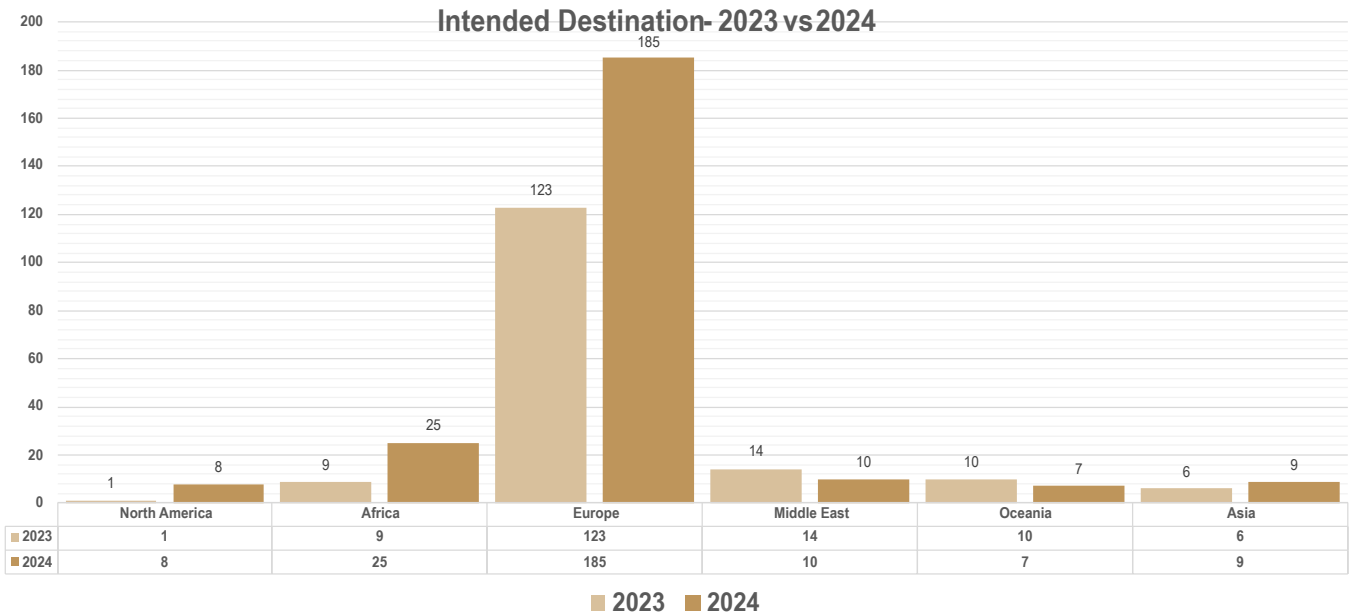
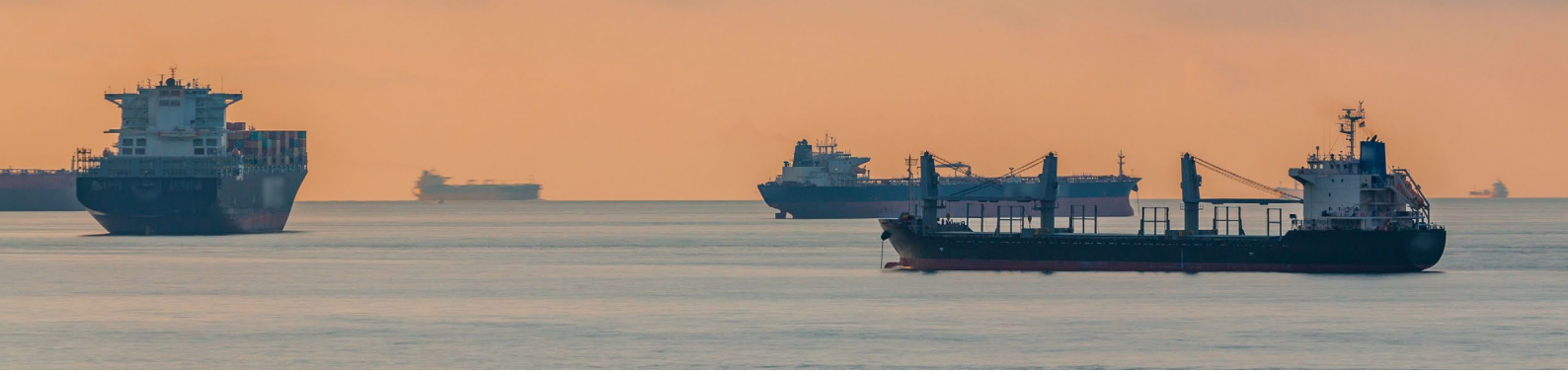
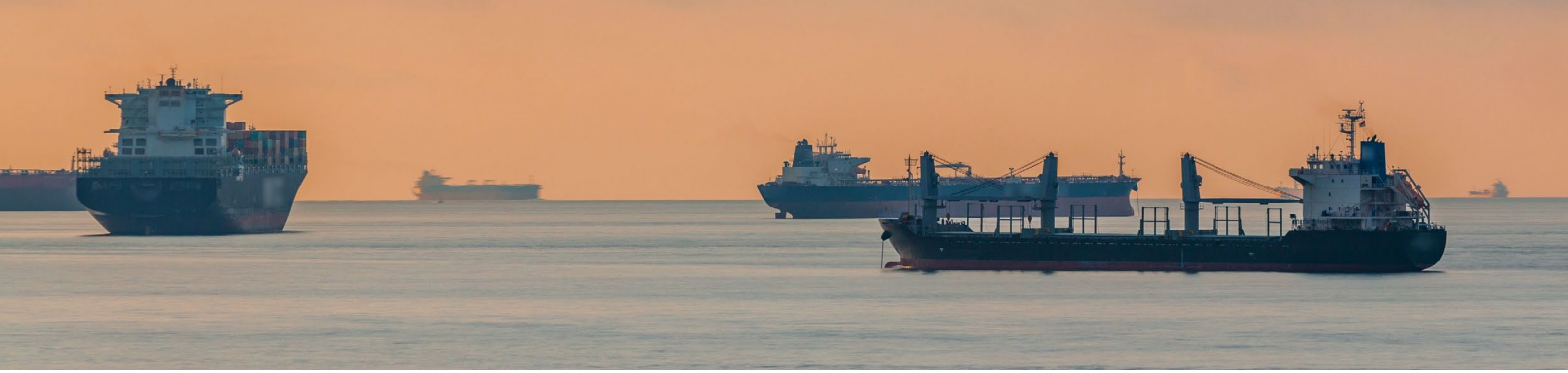


FIGURE 5 – Intended Destination of Drugs Cases 2023 / 2024 – Information supplied by ARC.

## A CALL FOR ENHANCED INDUSTRY COLLABORATION AND ACCOUNTABILITY

Ultimately, mitigating the risks posed by drug smuggling will require a concerted industry-wide effort, as well as collaboration with international authorities and organisations. The Britannia loss prevention and ARC partnership represents a valuable model for how industry stakeholders can work together to share information, provide guidance and advocate for systemic changes that improve maritime security. By addressing both the financial and human impacts of drug smuggling, the industry can help protect not only its commercial assets but also the wellbeing of its people- the foundation of any successful shipping operation.

In the face of evolving maritime threats, the industry's responsibility is clear: prioritise the safety and security of both its operations and its workforce. Only by approaching drug smuggling as both a commercial and humanitarian issue can the maritime sector hope to reduce the impact of TCOs on global trade and shipping.



## ABOUT ARC

ARC is a leader in maritime security, with decades of expertise and over 5,000 successful taskings in West Africa since 2016. Their commitment to honesty, expertise, and reliability allows members to get straightforward advice and tailored, comprehensive solutions across Security, Maritime, and Support Services.

## OTHER PUBLICATIONS

The Club have published various articles for reference:

- [Britannia BSAFE – Onboard Security](#)
- [Britannia BSAFE – Physical Security](#)
- [Drug Smuggling Prevention](#)

## DATA COLLECTION BY ARC

ARC collects information through its extensive network and various sources, utilising Open-Source Intelligence (OSINT), such as publicly available news reports, direct information from shipping companies, and data published in publicly accessible law enforcement, government, and academic reports.

## FURTHER INFORMATION

For further information, please do not hesitate to email [lossprevention@tindallriley.com](mailto:lossprevention@tindallriley.com).

## DISCLAIMER

THIS LOSS PREVENTION UPDATE IS PUBLISHED BY THE BRITANNIA STEAM SHIP INSURANCE ASSOCIATION EUROPE (THE ASSOCIATION).

Whilst the information is believed to be correct at the date of publication, the Association cannot, and does not, assume any responsibility for the completeness or accuracy of that information. The content of this publication does not constitute legal advice and Members should always contact the Association for specific advice on a particular matter.