



Photo: Getty Images

A consignment of ammunition, reportedly of Iranian origin, seized aboard the *Victoria*, a Liberian-flagged, German-owned, French-operated cargo vessel in March 2011

MARITIME TRANSPORT AND DESTABILIZING COMMODITY FLOWS

HUGH GRIFFITHS AND MICHAEL JENKS

Maritime transport dominates international trade in licit and illicit goods. It accounts for the majority of seizures and suspect shipments of military equipment and dual-use goods (goods that have both civilian and potential military applications, including in the development of weapons of mass destruction) originating from or destined for embargoed states such as Iran and North Korea. It is the primary means of delivering shipments of conventional arms to actors involved in conflicts in Africa. Sea transport plays a major role in global flows of narcotics and associated chemical precursors. It is also the main mode of transport for other illicit and potentially destabilizing commodities, such as smuggled tobacco, oil and counterfeit goods.

One reason why maritime transport offers the greatest scope for trafficking of destabilizing commodities is that it is more difficult for states to monitor and control than any other means of international bulk transport. Jurisdiction over merchant shipping in international waters rests with a ship's flag state and, as a result, ships suspected of carrying destabilizing commodities cannot be boarded—and the commodity seized without the prior agreement of the flag state. The majority of ships involved in reported destabilizing military equipment, dual-use goods and narcotics sail under so-called flags of convenience and are registered in flag states with limited regulation and control of their merchant fleets. Nevertheless, the ship-

ABOUT THE AUTHORS

Hugh Griffiths (United Kingdom) is a Senior Researcher and Head of the SIPRI Countering Illicit Trafficking–Mechanism Assessment Projects (CIT-MAP). From 1995 until 2007 he worked for governments, the United Nations and non-governmental organizations conducting investigative field research, analysis and programme management on issues related to clandestine political economies, humanitarian aid, conflict and trafficking. His recent publications include *Air Transport and Destabilizing Commodity Flows*, SIPRI Policy Paper no. 24 (May 2008, co-author), and 'End-user certificates: improving standards to prevent diversion', SIPRI Insights on Peace and Security no. 2010/3 (Mar. 2010, co-author).

Michael Jenks (Netherlands) is a Research Assistant and Data Manager with CIT-MAP. He holds a BA in Administrative Law and Public Administration from Tilburg University and is currently pursuing a master's degree in Development Studies at Uppsala University, Sweden. His research interests focus on the trafficking of a variety of illicit or destabilizing commodities via air and sea and on related information sharing.



Photo: US Coast Guard

Some 18 000 kg of cocaine, estimated value \$500 million, being offloaded from the US Coast Guard cutter *Sherman*, after being seized in three separate incidents near Central America.

Arms proliferation networks are increasingly adopting techniques pioneered by drug traffickers

owners are mainly companies based in European Union (EU), North Atlantic Treaty Organization (NATO) and Organisation for Economic Co-operation and Development (OECD) member states.

The most common ship types used in reported destabilizing military equipment, dual-use goods and narcotics transfers are general cargo and container ships. Ships involved in cases where the ship’s owner, commercial operator or officers appear to have been complicit in the transfer have an average age of over 27 years. They tend to have poor safety and environmental inspection records or to have been involved in previous accidents or pollution incidents. A majority of the flags of convenience under which these vessels sail have been consistently targeted for inspection by port state control (PSC) regimes on the basis of poor performance in previous inspections.

Arms proliferation networks are increasingly adopting techniques pioneered by drug trafficking organizations that integrate their logistics operations within the global supply chain through the use of sealed shipping containers that are carried aboard vessels owned by mainstream shipping companies engaged in licit trade. Such techniques represent the most cost-effective method when traffickers are confronted by well-resourced and coordinated surveillance operations supported by international agreements such as United Nations arms embargoes and counter-narcotics conventions.

There are significant differences between the frequency with which different types of commodity involved in destabilizing transfers are seized when detected. While almost all reported cases involving narcotics and precursors end in seizure of the commodity, seizure rates for destabilizing military equipment and dual-use goods transfers are highly dependent on the countries involved. Significantly, more than half of reported destabilizing transfers to or from Iran and North Korea have resulted in seizure, but the seizure rates for shipments ultimately destined for embargoed states, regions or groups in Africa have been very low.



Photo: David Richerby

The *Chariot*, a Russian-owned ship flagged to Saint Vincent and the Grenadines that is reported to have shipped ammunition to Syria in January 2012 in violation of an EU arms embargo. The ship was earlier involved in transfers of small arms ammunition and rockets to conflict-sensitive destinations in sub-Saharan Africa.

RECOMMENDATIONS

1. Efforts to counter maritime trafficking should recognize the utility of PSC as a 'choke point' to monitor and control poorly regulated flag of convenience ships suspected of involvement in destabilizing commodity flows.
2. The more advanced PSC regimes should initiate outreach, training and technical cooperation to PSC authorities at ports identified as being more frequently visited by vessels suspected of involvement in particular destabilizing commodity flows.
3. At national level, operational links should be strengthened between PSC authorities and export control, customs, security and intelligence agencies. PSC authorities should be trained to identify suspect cargoes and ships.
4. At international and regional levels, formal and informal information sharing on suspect vessels should be improved between different governments and relevant PSC authorities.
5. Political support should be enhanced for a holistic approach to maritime security, using technologies, instruments and assets currently used for environmental protection, ship monitoring, fisheries protection and other aspects of maritime governance and surveillance in order to better target destabilizing maritime trade.
6. Governments should initiate dialogue with global shipping industry representatives on addressing destabilizing maritime trade, in particular the growing use of containerization.
7. In the EU, a mechanism should be established for sharing information on suspect shipments and ships that effectively shares information with and between relevant government agencies and PSC authorities.

Governments should initiate dialogue with the global shipping industry

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STOCKHOLM INTERNATIONAL PEACE RESEARCH INSTITUTE

Signalistgatan 9

SE-169 70 Solna, Sweden

Telephone: +46 8 655 97 00

Fax: +46 8 655 97 33

Email: sipri@sipri.org

Internet: www.sipri.org

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The Policy Paper summarized here is part of an ongoing study by the Countering Illicit Trafficking–Mechanism Assessment Projects (CIT-MAP) at SIPRI. CIT-MAP takes a multidisciplinary approach to the problem of destabilizing or illicit arms transfers. The project draws on investigative field research and empirical analysis, which are synthesized in solution-oriented reports.

Further information on CIT-MAP and its publications is available at <http://www.sipri.org/research/security/transport>.

Previous CIT-MAP-related publications include:

Griffiths, H. and Bromley, M., 'Stemming destabilizing arms transfers: the impact of European Union air safety bans', SIPRI Insights on Peace and Security no. 3, Oct. 2008

Griffiths, H. and Bromley, M., *Air Transport and Destabilizing Commodity Flows*, SIPRI Policy Paper no. 24, May 2009