



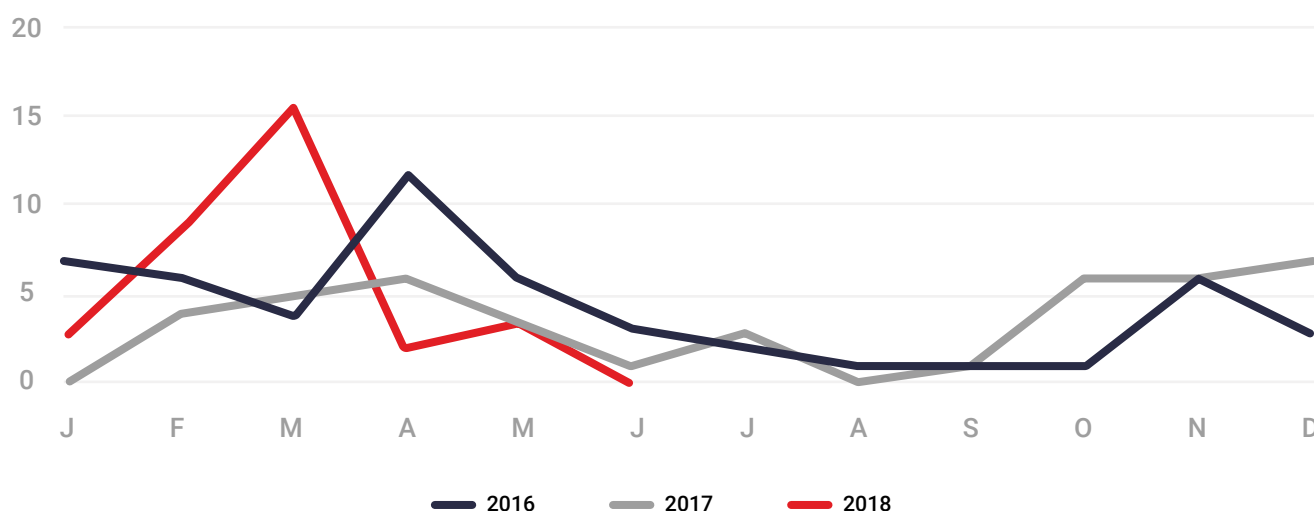
Nigerian Piracy in the Gulf of Guinea 2018 H1 Review

At the close of 2017, maritime piracy activity in the Gulf of Guinea had become static. Nigerian pirate action groups (PAGs) were focussed on the kidnap of seafarers for ransom, operating almost exclusively in the waters off Bayelsa and Rivers states, where most active pirate enclaves are located. The frequency of attacks in 2017 was largely consistent with patterns observed in 2016, but the number of seafarers taken hostage offshore increased significantly by 44% from 52 to 75. This was a product of a growth in the number of seafarers being taken per attack (3.25 in 2016 rising to 5.35 in 2017) and a slight improvement in PAGs' boarding success rate. Outside of 'pirate alley', stretching out to 115nm off the Niger Delta, piracy activity throughout the rest of the Gulf of Guinea, including Lagos, was confined to port-based criminality.

The Return of Petro-Piracy

On 10th January 2018, however, the threat of 'petro-piracy' (tanker hijackings for product theft) re-emerged in the Gulf of Guinea following two years of dormancy, when a Nigerian pirate group hijacked the UK-flagged MT Barrett in Cotonou Anchorage, Benin. The attack, which played out over seven days, saw the pirates siphon off around 2,000 MT of gasoline from the tanker via a ship-to-ship transfer (STS) within the Exclusive Economic Zone (EEZ) of Ghana. The pirates eventually abandoned the MT Barrett off the Niger Delta on 17th January, leaving behind a damaged vessel and traumatised crew.

Nigerian Offshore Pirate Attacks in the Gulf of Guinea, Timeline, 2016 through June 2018



Many analysts cited rising oil prices for the return of petro-piracy in the Gulf of Guinea. Whilst this may be a significant factor, it should be recalled that oil prices had hit a 13 year low when pirates hijacked the MT Maximus off Abidjan, Cote d'Ivoire in February 2016. It would therefore be hasty to see an exclusive correlation between the risk of tanker hijackings and oil prices. The reasons for this crime's return are likely more complex, also being rooted in corruption, law enforcement activities (on land and at sea) and the ability of criminal networks to clandestinely move large quantities of stolen product back into legitimate markets.

Following the hijacking of the MT Barrett, pirates attacked three other tankers in Cotonou anchorage in February 2018. On 1st February, the Panama-flagged tanker, MT Marine Express, with 22 Indian nationals onboard and laden with 13,500 tons of gasoline, was hijacked by around 13 pirates from Cotonou anchorage, Benin. Managers Anglo-Eastern reported that the vessel was released 6 days later, its crew safe and cargo intact. Whilst reports suggest a ransom was paid for the release of the vessel, one crew member stated that the pirates failed to siphon off the cargo because no buyers came forward.

On 17th February, the duty officer on watch onboard the anchored Marshall Islands-flagged tanker MT Sea Emperor noticed three armed persons on deck and immediately raised the alarm. All crew retreated to the citadel. The Beninese Navy responded to distress calls by sending three patrol boats to the tankers location. Naval boarding teams declared the tanker free of pirates and the crew emerged safely from the citadel.

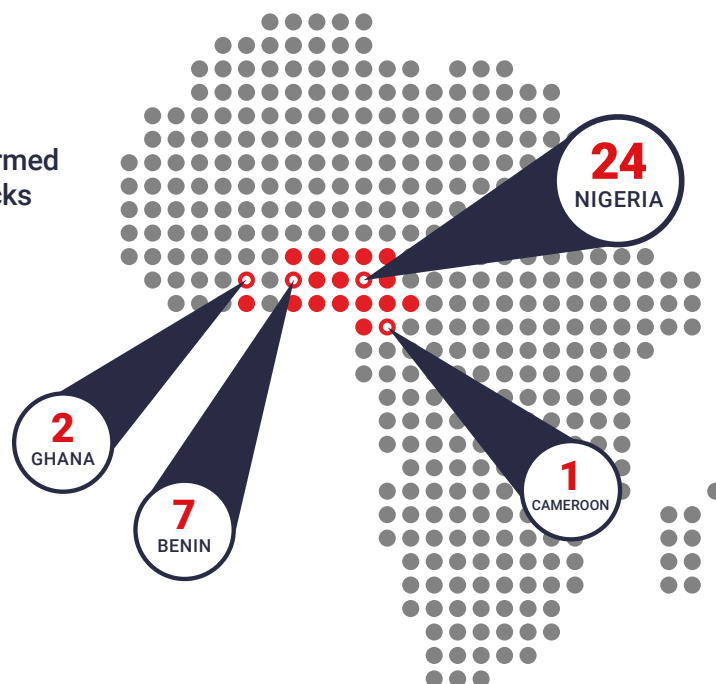


Successful Hijack for Oil Theft Cases in H1 of 2018



Unsuccessful Hijack for Oil Theft Attempts in H1 of 2018

EEZs in Which Confirmed Nigerian Pirate Attacks Occurred (H1 2018)



On 27th February, armed pirates in a speedboat approached the anchored Luxembourg-flagged tanker MT ST Marseille in Cotonou Anchorage. As the pirates boarded the vessel they shot and injured two Beninese Naval guards stationed onboard. Upon learning that the tanker was in ballast, the pirates kidnapped the Master and an engineer and left the vessel in the tanker's rescue boat. The two hostages were released onshore that day and not held for ransom.

The pirate group(s) conducting these attacks are made up of a mix of experienced 'guns-for-hire' and handpicked operators with former seafaring experience, providing a balance of muscle and technical know-how. Most of the pirates are Nigerian, with some originally hailing from other West African nations such as Ghana. Whilst undoubtedly organised, the pirates conducting these recent attacks do appear to be opportunistic and willing to act without intelligence, demonstrated by the attack on the ST Marseilles while she was in ballast, the absence of a confirmed buyer for the cargo of the Marine Express and the attempted hijacking of the reefer MV Isleman in Cotonou Anchorage on 22nd March.

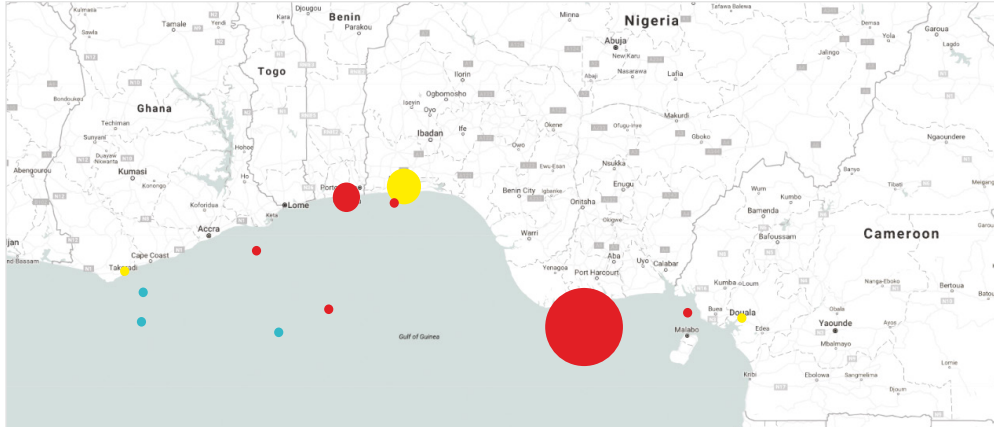
A Regional Threat Resurfacing

When hijack for oil theft first emerged as a major threat in the Gulf of Guinea around 2009, it rapidly evolved and spread to the waters of Benin, where 22 attacks were reported in 2011. In response to the rise in cross maritime boundary incidents, Nigeria and Benin mounted a joint naval patrol of their waters, dubbed 'Operation Prosperity'. Responding to increased naval surveillance around Cotonou, Nigerian PAGs merely diverted their operations to offshore Lomé and the maritime boundary between Togo and Ghana. In 2012, several tankers were violently attacked off Togo and had part, or all, of their cargo stolen. Then, in a surprising development, a Nigerian PAG sailed all the way to Abidjan anchorage, Cote d'Ivoire, in October 2012, where they hijacked the MT Orfeas. The attack took the shipping industry by surprise. If travelling from Lagos, the pirates would have sailed around 470nm to reach Abidjan anchorage, demonstrating a significant expansion in their operational range. By the end of 2014, Nigerian PAGs had attacked merchant vessels in the EEZs of other regional states such as Ghana, Gabon, Equatorial Guinea, Sao Tome and Principe and even Angola. Nowhere seemed completely safe from the clutches of Nigerian petro-pirate gangs. But between 2015 and the hijacking of the MT Barrett on 10th January 2018, only two attempted hijack for oil theft cases were reported.



Vessels Held for Ransom in H1 of 2018

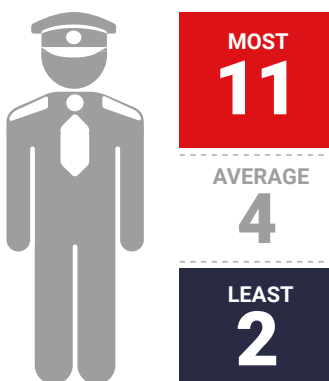
95% of attacks on merchant vessels in Nigerian waters in H1 2018 occurred Between Brass and Port Harcourt, within 60nm of the shore



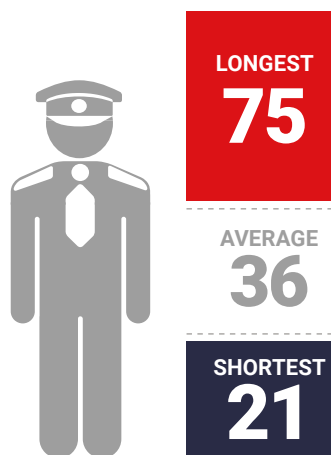
- Pirate Attacks, Kidnaps and Hijacks
- Port Based Criminality
- Suspicious Activity

This history is important in demonstrating how unexpectedly and quickly the geographical scope of Nigeria-based maritime piracy can expand and contract. Contemporary hijack for oil theft cases have demonstrated that even though piracy in the Gulf of Guinea is Nigeria-centric, petro-pirates tend to rely on multinational networks of informants, buyers, ex-seafarers and sponsors, making it a regional problem. Between January and April 2018, Nigerian PAGs not only targeted vessels at Cotonou anchorage, but also operated opportunistically in the waters between Lagos and Accra, attacking fishing vessels to use as motherships and kidnapping several seafarers in the process. In July 2018, a tug was chased for over five hours by a skiff deployed from a fishing vessel 223nm off the southern tip of the Niger Delta. If the incident was piracy-related, it would be the first ever confirmed Nigerian pirate attack conducted in international waters.

Number of Seafarers taken per Successful Kidnapping in H1 of 2018



Seafarer Days in Captivity



On 21st March 2018, U.S. Naval Forces Africa (NAVAF) kicked off Obangame Express, an annual multinational maritime exercise aimed at strengthening maritime security and cooperation in the Gulf of Guinea. The exercise involved 20 African nations and 11 other European and South American nations. It was paradoxical that during the week long exercise, pirate activity spiked in the Gulf of Guinea, with nine attacks reported. The attacks included the kidnap of two crew from a Chinese fishing vessel off Lagos, the attempted hijacking of a reefer in Cotonou anchorage and a string of incidents off eastern Ghana which led to the kidnap of a Greek national, a Ghanaian national and three South Koreans. Naval forces involved in Obangame Express were diverted to attend to live incidents on several occasions. The week demonstrated both the audacity of Nigerian PAGs and the difficulty of effectively policing the Gulf of Guinea's waters.



**Ports / Anchorages
Most Affected by
Maritime Criminality 2018**

What Next?

Petro-piracy in the Gulf of Guinea is unlikely to reach the levels witnessed in 2011-2013. Over the years, affected littoral nations and the shipping community have learnt some lessons, whilst pirates are using old tricks. That said, continued instability in the Niger Delta, endemic regional corruption issues, opaque emerging oil industries and weak maritime security suggests the threat will linger. The unpredictable nature of hijack for oil theft operations also makes the issue difficult to police. Unfortunately, tankers stationed at major anchorages and STS zones throughout the Gulf of Guinea are likely to face an underlying risk of this type of crime for the foreseeable future. Predicting exactly where and when petro-pirates will strike next is a fool's game, but history does hold some clues as to where attacks are more likely to occur.

Kidnap for ransom, due to its favourable risk reward ratio and the relative ease with which it can be conducted, is expected to continue to be Nigerian PAGs' primary modus operandi. From January through June 2018, 35 seafarers were removed from vessels (offshore) and held for ransom by Nigerian pirates, the same as was witnessed during the same period in 2017. However, whilst all marine kidnap for ransom attacks were conducted within the Nigerian EEZ in 2017, in 2018 one case originated in Cameroonian waters and two in Ghanaian waters. This year, there have also been three cases in which shipping companies have paid a ransom for the release of a hijacked vessel. Indeed, Nigerian pirate attacks are not always clear cut, and may involve a combination of hijack for ransom, hijack for oil theft, kidnap for ransom and armed robbery.



Instability in the Niger Delta is likely to increase in the run up to Nigeria's 2019 general elections, which could result in a spike in piracy activity. Since the turn of the century, this pattern has been visible in Nigeria ahead of major election periods, evidence of the complex links between piracy and political conflict in the Niger Delta.

The Pirate Gangs

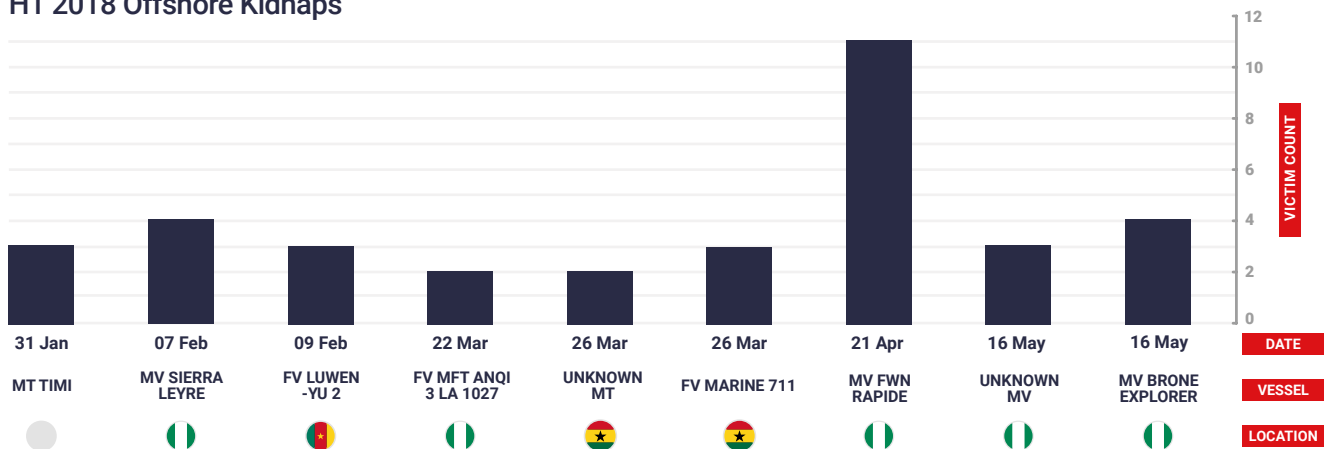
There are currently two main pirate groups in the Niger Delta which operate as part of the same syndicate. Both employ around 16 full-time pirates and are located in the creeks near Yenagoa, Bayelsa State and Abonnema, Rivers State. Whilst these groups are responsible for the majority of Nigeria's piracy activity, other criminal gangs that partake in piracy are present, sometimes working in isolation or acting as subcontractors for the larger pirate syndicate. The gangs hold their hostages on small islands in the creeks or in the vicinity of old illegal refineries. The larger gangs are often using fishing trawlers to head out to sea undetected and then launch their attacks from one or more fast skiffs that are lowered into the water.

Both the Yenagoa and Abonnema gangs will typically stage negotiations out of Port Harcourt, heading back to the hostages' holding location to provide proof of life when necessary. Whilst evidently dangerous, both groups will rarely physically harm hostages if ransom negotiations are conducted professionally. Once a ransom amount is settled, typically within 30 days, the pirates will ask for additional 'items' (deal sweeteners), which tend to involve phones, tablets, laptops and premium alcohol.

35

**Seafarers Kidnapped
for Ransom Offshore
in H1 of 2018**

H1 2018 Offshore Kidnaps



Mitigating the Risk

Within Nigerian waters, escort vessels staffed by Nigerian Navy personnel are the most effective and compliant method of dealing with the threat of piracy. All vessel types trading off the Niger Delta - especially the waters between Brass and Bonny out to 100nm - should strongly consider contracting armed escort support due to the severe kidnap for ransom risk. The Nigerian Navy is also still providing Navy guards to be embarked directly onto merchant vessels in Nigerian ports, but the legality of this practice is a contentious issue, as raised by BIMCO and Intertanko in October 2017. Owners and managers with tankers calling at or conducting STS operations off Lomé, Togo and Cotonou, Benin, may also wish to hire armed teams from the countries' respective navies to provide additional protection.

Outside of the Lloyd's of London Joint War Committee (LMA JWC) Listed Areas in the Gulf of Guinea – currently the EEZs of Nigeria, Benin and Togo north of Latitude 3°N – armed security support is not viewed as proportionate mitigation, even for tankers in areas where Nigerian pirate groups have occasionally operated. However, it is recommended that all vessels, especially tankers, implement Global Counter Piracy Guidance (GCPG) measures and report to MDAT-GoG while operating throughout the broader Gulf of Guinea region. Masters and operators should also familiarise themselves with the "Guidelines for Owners, Operators and Masters for protection against piracy in the Gulf of Guinea region – version 3, June 2018" and have the most recent version of UKHO maritime security chart Q6114.

Authored by

Jake Longworth Senior Intelligence Analyst, EOS Risk Group

Kindly Sponsored by...

JLT Specialty

JLT Specialty Limited provides insurance broking, risk management and claims consulting services to large and international companies. Our success comes from focusing on sectors where we know we can make the greatest difference – using insight, intelligence and imagination to provide expert advice and robust -often unique - solutions. We build partner teams to work side-by-side with you, our network and the market to deliver responses which are carefully considered from all angles.

JLT's Security Risks, Kidnap and Ransom team are a specialised and dedicated team of brokers and claims handler, with over 25 years' experience, servicing more than 700 corporate, private and maritime clients worldwide.

📞 0121 626 7856

✉️ will_finnegan@jltgroup.com

🌐 jltspecialty.com



Tatham Macinnes LLP

Tatham Macinnes LLP is maritime solicitors situated in the heart of the City of London. The firm, now in its 6th year, specialises in all aspects of wet and dry maritime law, with particular interest in incidents in complex environments such as Nigeria, Yemen and Libya. Their specialist lawyers are often called upon to advise on issues arising out of maritime security, such as conflict, piracy and the kidnapping of crew. Work on the legality of ransom payments now includes the cyber sector, where ransomware and the theft of data for ransom is a growing threat.

📞 020 7929 2957

✉️ stephen.askins@tatham-macinnnes.com

🌐 tatham-macinnnes.com



CFC Underwriting

CFC is a specialist insurance provider and a pioneer in emerging risk. Our marine kidnap and ransom product is designed to address the key piracy exposures facing the maritime industry, and protects more than 60 fleets and some of the largest shipping companies in the world with both single transit and long-term policies. CFC is headquartered in London and backed by Lloyd's. Learn more at cfcunderwriting.com and LinkedIn.

📞 +44 (0) 207 220 8500

✉️ enquiries@cfcunderwriting.com

🌐 cfcunderwriting.com



Navigate Response

Crisis Communications for Shipping

Navigate Response is the strongest global crisis communications network specialising in the international shipping, ports and offshore industries. Headquartered in London and Singapore, we operate a global network of 42 offices in 28 countries around the world.

Engaging Navigate Response ensures that you are prepared for the worst and allows you to focus on dealing with the operational side of an incident without being distracted by the pressures of the 24/7 media.

We are recommended by P&I Clubs in the International Group.

📞 +44 (0)20 3326 8451

✉️ enquiries@navigateresponse.com

🌐 navigateresponse.com



MariTrace

MariTrace is a world-class professional online vessel-tracking solution that uses advanced satellite and terrestrial AIS, incorporating a bespoke world-class piracy database, piracy risk-assessment tools, weather, custom geofences, port movements for 7,500 ports, alerts, transit planning, commodity movements, fleet analysis, JWC Zones, MARPOL Areas, PSSAs, solar terminator, advanced map tools and more. MariTrace is used by professional mariners, vessel owners and operators, private security companies, and brokers alike. We are happy to set up free trial accounts on request.

📞 +44 (0) 208 1234 337

✉️ info@maritrace.com

🌐 maritrace.com

MariTrace

EOS Risk Group is a leading professional security services company. We harness experience, compliance, strategic partnerships and technology to provide a comprehensive range of risk mitigation services to a diverse portfolio of clients operating globally.

How We Can Help

EOS has been operating in West Africa for a decade, on land and at sea. We provide a holistic range of maritime security services in the Gulf of Guinea, including armed and unarmed embarked guards, security escort vessels, intelligence and advisory, an end-to-end kidnap and hijack response service, vessel hardening, stowaway searches and post-incident investigations. On land we secure our clients personnel and assets by providing comprehensive project risk assessments, training, close protection, journey management, embedded security consultancy, man guarding, crisis response, intelligence monitoring and evacuation support.

Free Intelligence

To sign up to our FREE West Africa daily intelligence situation reports, covering a range of maritime and land-based security threats, contact us at intelligence@eosrisk.com.

Contact Us

The Leadenhall Building
122 Leadenhall Street
London
EC3V 4AB

Telephone +44 (0) 20 3004 3137

Email info@eosrisk.com

Disclaimer: The information and opinions expressed in this report are the views of EOS Risk Group and do not necessarily reflect the opinions of the report's sponsors. The information and opinions expressed in this report have been formed in good faith on the basis of the best information and intelligence available at the time of writing, but no representation or warranty, express or implied, is made as to its accuracy, completeness or correctness. In no event shall EOS Risk Group be liable for any damages whatsoever, including any direct, indirect, special, consequential or any other damages, arising out of or in connection with the use of or reliance on information available within this report. In using this information, you agree to the limitations and disclaimers provided here.