



U.S. Department
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**Maritime
Administration**

MARITIME SECURITY REPORT

*** June 1999 ***



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INTRODUCTION

The *Maritime Security Report* is an unclassified periodic publication prepared to inform the commercial maritime industry, senior Maritime Administration officials, the Secretary of Transportation's Office of Intelligence and Security, and the *Federal Ad Hoc Working Group On Maritime Security Awareness*. The report focuses on international criminal activity and security issues which could pose a threat to U.S. commercial maritime interests and the movement of U.S. civilian cargoes in foreign trade.

The global nature of U.S. trade means that U.S.-flag ocean carriers call on ports in nearly every country, and cargoes owned by U.S. interests may be embarked on ocean vessels of any flag or in any port worldwide. U.S. commercial maritime interests, therefore, can be jeopardized worldwide by a broad range of illicit activities, adversely affecting their competitiveness.

The *Maritime Security Report* is intended to increase awareness of the scope and severity of economic crime affecting U.S. maritime commerce. Increased awareness is a factor in improving port and cargo security in the international maritime trade corridors. The Maritime Administration expects increased awareness to contribute toward deterring criminal exploitation of the maritime transportation system, its users and providers.

The *Maritime Security Report* is produced under the authorization of Margaret D. Blum, Associate Administrator for Port, Intermodal, and Environmental Activities. The information contained in the report is based on our research and analysis of recent, significant developments, and is compiled from commercial sources and U.S. Government reports.

Please direct any questions and comments on the information in this report to Thomas Morelli, Program Manager, Port and Cargo Security, or John Pisani, Director, Office of Ports and Domestic Shipping, Maritime Administration, U.S. Department of Transportation, 400 Seventh Street, SW, Washington, DC 20590, or telephone (202) 366-5473/fax (202) 366-6988.

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Note: The preceding issue of the *Maritime Security Report* is dated October 1998. Issues previous to that are dated: October 1997, April 1997, January 1997, September 1996, April 1996, January 1996, and August 1995 (the initial issue of the report). Copies of previous issues are available in printed format or in electronic form. Visit MARAD's web site at <http://www.marad.dot.gov> to view specific editions or for more information.

Inter-American Port Security Training Program: A U.S./OAS Initiative Resulting in Transfer of Technical Expertise, Development of Recommendations for Strategic Regional Approaches to Counter Seaport Crime, and Enhanced International Cooperation

EXECUTIVE SUMMARY

Three international port security training courses were organized and managed by the U.S. Maritime Administration (MARAD) and conducted during the Autumn of 1998 in Panama, Peru, and Barbados as principal activities of the *Inter-American Port Security Training Program* (IAPSTP). The IAPSTP is sponsored and financed by the Organization of American States (OAS), through the Special Multilateral Fund of the Inter-American Council for Integral Development (FEMCIDI) and through contributions from port authorities throughout the hemisphere. The venues selected for the week-long courses attracted 100 regional participants from port authority police and security personnel as well as coast guard, customs service, and national police organizations from Central and South America and the Caribbean. The training team consisted of experienced professionals from the Port of Miami, the U.S. Customs Service, and the Port Authority of New York and New Jersey Police.

The multinational format of the IAPSTP courses provided each group of participants the opportunity for five days of interaction with their regional counterparts on port and cargo security issues of mutual concern. As a result, insightful recommendations were developed for follow-on activities through regional cooperative initiatives. The recommendations are an important product of the training and constitute a transfer of technical information and expertise to the participants as well as an enhancement to Western Hemispheric international relations.

Many of the recommendations are relevant to the goals and objectives of existing multilateral initiatives involving the United States and the other OAS member countries. For example, by focusing the emphasis of near-term activities on the Caribbean subregion, security elements of the principles contained in the 1997 Bridgetown Accord can be further advanced, resulting in multilateral mutual benefits and precedence for wider regional agreement.

The execution of three additional courses in 1999 will further contribute to the establishment of more secure Inter-American maritime trade corridors and enhanced security of the maritime transportation systems in the OAS member countries. Implementation of the recommendations from these courses for regional approaches to counter seaport crime should contribute to the efforts to develop a broad Hemispheric strategy for improving Inter-American port and cargo security in the 21st century.

Inter-American Port Security Training Program: A U.S./OAS Initiative Resulting in Transfer of Technical Expertise, Development of Recommendations for Strategic Regional Approaches to Counter Seaport Crime, and Enhanced International Cooperation

Three international port security training courses were organized and managed by the U.S. Maritime Administration (MARAD) and conducted during the Autumn of 1998 in Panama, Peru, and Barbados as principal activities of the *Inter-American Port Security Training Program* (IAPSTP). The venues selected for the week-long courses were planned to accommodate regional participation from port authority police and security personnel from Central and South America and the Caribbean. In addition to port authorities, personnel from many of the region's coast guard, customs service, and national police organizations also participated. The IAPSTP is sponsored and financed by the Organization of American States (OAS), through the Special Multilateral Fund of the Inter-American Council for Integral Development (FEMCIDI) and through contributions from ports authorities throughout the hemisphere. In each country where the courses were conducted, the training team's presence was coordinated with the U.S. Embassy.

The IAPSTP is a response to requests for training received from the ports of the hemisphere by the Technical Secretariat of the permanent Technical Committee on Ports (COM/PUERTOS) of the OAS, which requested that MARAD develop, organize, and manage the execution of the training. The IAPSTP received administrative and overseas coordination assistance from the Technical Secretariat of OAS COM/PUERTOS.

Regional Participants

The three port security courses, which included a comprehensive range of operational port and cargo security topics, attracted 100 participants from 31 regional states. Attendance priority was given to member countries of the OAS. Participating states were as follows:

Central America - Costa Rica, Dominican Republic, Haiti, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, and Panama;

South America - Argentina, Bolivia, Brazil, Colombia, Chile, Ecuador, Paraguay, Peru, Uruguay, and Venezuela; and

Caribbean - Antigua and Barbuda, Bahamas, Barbados, Belize, Grenada, Guyana, Jamaica, Montserrat, St. Kitts and Nevis, St. Maarten, St. Lucia, and St. Vincent and the Grenadines.

Outcomes and Regional Benefits of IAPSTP

A principal product of the training courses was the transfer of technical expertise. Participants received training on a comprehensive range of operational port and cargo security topics. Details on the course content and the mobile training team composition are described in a later section of this report.

The multinational format of the IAPSTP courses provided each group of participants the opportunity for five days of interaction with their regional counterparts on port and cargo security issues of mutual concern. This was a key factor contributing to the participants developing insightful recommendations for follow-on activities intended to improve port and cargo security in Central and South America and the Caribbean through regional cooperative initiatives. The recommendations were an important product of the training and constituted a transfer of technical information and expertise to the participants as well as an enhancement to Western Hemispheric international relations.

The training and development of the recommendations were, therefore, enhancements to Western Hemispheric international relations. The prospect for further cooperative integration may result from actions to implement the IAPSTP recommendations. Many of the recommendations are relevant to the goals and objectives of existing multilateral initiatives involving the United States and the other OAS member countries and are discussed in the following section of this report.

Strategic Regional Approaches to Counter Seaport Crime

One of the most important products of the IAPSTP courses are the recommendations. They were presented for the record by a representative of each attending state in a formal session designated for that purpose on the last day of each course. They include recommendations pertaining to strategic regional approaches to counter seaport crime, international port and cargo security standards, and other multilateral cooperative endeavors. Presented here is a synthesis of selected recommendations most conducive to multilateral strategic approaches to improving port and cargo security in the Inter-American maritime trade corridors. They are listed under two categories: international cooperation and regional seaport security cooperation. Most of the following are also relevant to seaports in the United States.

International Cooperation

(1) Conduct follow-on interaction among training participants in order to continue to build toward regional integration based on the contacts and relationships developed in each IAPSTP course.

(2) Additional sponsorship and funding for a wide range of regional port security improvement initiatives should be provided by the OAS and other multilateral regional organizations.

(3) Establish international standards for port security. The International Maritime Organization standards for vessels and passengers should be expanded to include port and cargo security. Meanwhile, port authorities should adopt and implement all International Maritime Organization conventions and resolutions as best practices, the adoption of which should be supported by all states.

(4) Port authorities and the private sector should work cooperatively and regionally to protect the flow of international maritime trade cargoes.

(5) The OAS and the United States should conduct follow-on contact activities to facilitate implementation of port security training into practice.

(6) All necessary measures should be taken through multilateral cooperation to diminish the major problem of internal conspiracies in seaports.

(7) Multilateral assistance should be provided to upgrade the technologies of regional port authorities enabling them to increase use of x-ray systems and other non-intrusive means for inspecting cargoes and passengers.

Regional Seaport Security Cooperation

(1) Port authority administrators and general managers should be participants in a regional international seminar pertaining to the impact of security operations on seaport business, emphasizing the relationship between the implementation of improved security practices and enhanced operational efficiency.

(2) Establish a collaborative regional port security organization to develop a regional port security strategic plan, security standards, and work toward their implementation.

(3) Establish a regional port security directors conference or standing forum which should meet at least every three years as a senior level forum for the exchange of views on operational and policy issues and to facilitate harmonizing solutions to mutual problems.

- (4) Regional port security directors should be participants in a regional international seminar pertaining to relevant topics including budget, policy, personnel, and international operations.
- (5) Establish a program of regional port security personnel exchanges for temporary duty assignments at other port authorities to improve coordination and cooperation on transnational crime issues.
- (6) Establish regional inspection teams to conduct vulnerability assessments and recommend countermeasures to improve port and cargo security in the region.
- (7) Establish intelligence liaison and information exchange among regional seaport authority security divisions to enhance multilateral coordination for countering criminal activity.

Existing Regional Initiatives and Policy Linkage

The recommendations listed above are consistent with and supported by a range of relevant international activities and multilateral diplomatic principles. Listed chronologically from the most recent, they include:

- Ministerial Declaration adopted by the ministers, December 16, 1998, at the Western Hemisphere Transport Ministerial. The document includes a request that UN/ECLAC prepare a Plan of Action for integration of the region's transportation systems and specifies the importance of addressing transportation security issues and the vital role of ports.
- Presentation by Clyde Hart, Jr., Maritime Administrator, U.S. Maritime Administration, at the Western Hemisphere Transport Ministerial, December 15, 1998, on developing a Hemispheric strategic approach for improving the security of the Inter-American maritime trade corridors and reducing cargo crime.
- Maritime Transportation System (MTS) Conference identified security as an issue and recommended: "Develop a strategy and process for advancing U.S. national MTS operating guidelines and minimum security standards on an international basis".
- U.S. International Crime Control Strategy (PDD-42), a plan of action which complements other crime control documents, such as the National Drug Control Strategy and Presidential Directives on, for example, alien smuggling and counterterrorism. It is intended to provide a framework for integrating all facets of the Federal response to the direct and immediate threat international crime

presents to the national security interests of the United States. Included among its goals and objectives are emphasis on: (1) fostering international cooperation for establishing international standards and strategic means to combat international crime by using bilateral, multilateral, regional, and global mechanisms and by actively encouraging compliance; (2) improving bilateral cooperation with foreign governments and law enforcement authorities through increased collaboration, training, and technical assistance; and (3) mobilizing and incorporating the private sector into U.S. government efforts.

- Bridgetown Declaration of Principles resulting from the May 10, 1997, summit meeting between President Clinton and Caribbean heads of state. The document calls for formulating a plan of action linking security issues with the economic performance of island nations. The summit strategy formulates a new regional approach intended to integrate trade and economic issues with justice and security issues – such as drug smuggling, money laundering, weapons trafficking, and strengthened criminal justice systems.

- The Guidelines For An Inter-American Port Policy, established by the principal delegates of member countries of the IX Inter-American Port and Harbor Conference of the OAS, held in Asuncion, Paraguay, September 1996, were included as part of the *Declaration of Asuncion*. One of eight major goals pertains to port security plans and measures to counter a wide range of criminal threats.

IAPSTP and the Transfer of Technical Expertise

The transfer of technical expertise through classroom instruction was applied by participants in a field practical session near the end of the course. Participants received training on a comprehensive range of operational port and cargo security topics including: physical security and access control at seaports; methods for preventing and countering cargo theft; preventive measures for countering drug smuggling; and assessment of port vulnerabilities, which included field work.

The Instructor Team

The mobile training team consisted of two squads of three instructors each and a coordinator. The courses conducted for Central and South American personnel, held in Panama City, Panama and Lima, Peru, were conducted in Spanish. The course for personnel from the Caribbean states, held in Bridgetown, Barbados, was conducted in English. The trainers were experienced professionals seasoned in the course subject matter and the art of instruction. The Port Authority of New York and New Jersey Police Academy facilitated the two instructors from that port's police department, the

senior of which was a detective lieutenant. The U.S. Customs Service provided two supervisory inspectors from its Contraband Enforcement Team operations at the south Florida ports of Miami and Everglades. The director of training for the Port of Miami's Security Division participated as an instructor in all three courses.

On-site coordinators were also part of the training team and interfaced with counterpart coordinators from the port authorities in Panama, Peru, and Barbados which hosted the courses. A coordinator was provided by the OAS for the courses conducted in Spanish, while MARAD staffed that function for the course conducted in English. Overall execution of the IAPSTP courses was managed by MARAD.

Course Content

Each IAPSTP course contained identical substantive modules. Instructional topics included (1) The Maritime Industry and Its Security; (2) Seaport In-house Security Force vs. Contract Security Services; (3) Access Control At a Seaport; (4) Preventive Methods to Control Theft; (5) A Training Program for Seaport Security Personnel; (6) Internal Seaport Security Rules and Regulations; (7) The Industrial Security Measures Of a Seaport, Its Objectives In Conjunction With Its Physical Security Measures; (8) Preventive Measures For Countering Drug Smuggling; (9) *Sea Carrier Initiative* and Related Programs; (10) Port Vulnerability and Risk Assessment to Design its Contingency Plan; and (11) Evaluation and Recommendations. Participants' recommendations and conclusions were documented and incorporated into the final reports for each seminar and the program overall.

Preventive Measures for Countering Drug Smuggling

This module of the course is selected for amplification as an example of the quality of course content presented during the IAPSTP. The module utilized the experience of U.S. Customs Service (USCS) Contraband Enforcement Team operations and methods and was instructed by a supervisory inspector of that agency's South Florida district. The content of this module, presented over a full day, emphasized recognizing the indications of drug smuggling in commercial cargo, primarily freight containers, at all stages of the shipping cycle and the countermeasures to prevent this crime. Instructional material incorporated case photographs and tabulated evidentiary information from actual investigations that were formatted for slide projection. The very effective presentations also provided a diplomatically balanced perspective on commercial maritime drug smuggling activities through the Caribbean and Latin America bound for the ports in the southeastern United States.

The instruction focused on exploitation of the commercial maritime shipping cycle, associated documentation, and the customs process of targeting and inspecting containers suspected of being used to smuggle illicit drugs. Subsequent detailed instruction included:

(1) Internal conspiracy and the consignee; (2) Concealment techniques; (3) Cargo manifest review and other relevant documentation; (4) Surveillance, counter-surveillance, and intelligence; (5) Container inspection methods, procedures, and tools (e.g., dogs, x-ray, drills, probes, and saws); (6) Smuggler use of fraudulent companies in the import/export trades and researching and investigating companies (e.g., histories, operations, financial statements, personnel, and facilities) for indications of suspect shipments; (7) Contraband drug source/transit countries; (8) Case studies of the types/characteristics of commodities often used/conducive for concealing/implanting drugs, including organic and manufactured goods and related packing techniques and craftsmanship; (9) Irregularities in the trade patterns of commodities as an indication of drugs concealed in containerized shipments; (10) Concealment of drugs in the structure of empty freight containers and trailer chassis; (11) Types of freight containers most often used by traffickers and rationale; (12) Smuggler adaptation to inspection procedures and methods; (13) Post-seizure investigations of smuggling conspiracies; and (14) Presentation of the *Sea Carrier Initiative* and related programs.

IAPSTP 1999

The 1998 program of seaport security training courses proved successful and inspired funding for 1999. A course will be conducted in Guayaquil, Ecuador from June 21-25, 1999, in Spanish, and will be hosted by the Guayaquil Port Authority. This course is being organized under the same arrangement as the 1998 IAPSTP courses, except that it has the benefit of additional support provided by the OAS Inter-American Drug Abuse Control Commission. The course content will be the same as that instructed during the 1998 IAPSTP. Instructors will again be from the ports of Miami and New York/New Jersey and the U.S. Customs Service. An additional Spanish course in Costa Rica for Central America is under consideration as well as an English course for the Caribbean in Saint Lucia.

COMMENT

The execution of the IAPSTP courses is contributing to the establishment of more secure Inter-American maritime trade corridors and enhanced security of the maritime transportation systems in the OAS member countries. In particular, the implementation of the IAPSTP course recommendations for regional approaches to counter seaport

crime could provide multilateral improvements. The recommendations are compatible with efforts to develop a broad Hemispheric strategy for improving port and cargo security in the Inter-American maritime trade corridors.

Additional training is needed in the year 2000 but consistent institutional funding will be required. Instructors for the courses, however, are consistently available through the Security Committee of the American Association of Port Authorities (AAPA) and the U.S. Customs Service Office of International Affairs. Both organizations are committed to these training activities and recognize their value for developing more effective preventive security systems in the seaports of the Inter-American trade corridors.

The development and implementation of the IAPSTP courses depend heavily on the cooperative engagement of the public and private sector stakeholders of the Western Hemisphere. They include multilateral governmental and commercial trade organizations, such as AAPA, OAS, the Caribbean/Latin American Action, Caribbean Shipping Association, and the Maritime Security Council. By focusing the emphasis of near-term activities on the Caribbean subregion, security elements of the principles contained in the 1997 Bridgetown Accord can be further advanced resulting in multilateral mutual benefits and precedence for wider regional agreement.

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