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JAPAN P&I NEWS

To the Members

Avoiding the risks of drug smuggling

In recent years, there has been an increase in the number of cases of drug smuggling by ships. This has been accompanied by an increased risk of ships being detained by the authorities for long periods of time and having large fines imposed. We would like to ask all of our members to be aware of the risks of drug smuggling and to take strict measures to prevent it.

1. Increasing incidents of drug smuggling

It is reported by the International Group of P&I Clubs that the numbers of drug smuggling cases have increased in recent years.

When drug smuggling is discovered by the authorities, the vessel and its crew can be detained for a long time and fined heavily.

In our Circular <u>No.20-003</u> of 12 May 2020, we alerted our members to a case where illegal narcotics were found on board a vessel in Mexico and the vessel and crew were detained.

2. Areas of high incidents of drug smuggling

The countries where drugs are loaded include Colombia, Ecuador, Panama, Brazil, Peru, Mexico, North America, and China.

Latin America is by far the most common destination, with other countries including Costa Rica, Guatemala, and Uruguay. In Europe, Greece, Italy, Spain, France, and Turkey are among the countries.

The countries where drugs were discharged including Peru, Panama, Belgium, Mexico, Colombia, Turkey, the Netherlands, Spain, China, Costa Rica, Guadeloupe, Italy, and Libya.

From the above, it is considered that the risk of drug smuggling is considered to be particularly high for vessels operating between Central and South America, or on routes from Central and South America to North America and Europe.

3. Examples of drug smuggling cases by sea in Japan

Drug smuggling into Japan is also on the increase. The following are some recent examples.

1) In August 2018 (Port of Yokohama)

A container ship arrived at Yokohama from Colombia via Panama and Mexico. Cocaine (115kg in total, with a

street value of 2.3 billion yen) stuffed into 14 backpacks was discovered in the cargo space. (The shipping company reported this to customs at the end of July 2018.)

2) In August 2019 (Port of Mikawa/Toyohashi)

A car carrier sailed from South America to Toyohashi. At destination, cocaine in bags (177kg, street value 3.5 billion yen) was found near the intake of seawater for engine cooling at the bottom of the ship. It would have been impossible to hide the drugs where they were found from the inside of the ship, thus it is assumed they were hidden from the outside.

3) In October 2019 (Port of Kobe)

A container ship arrived in Kobe from Brazil via South Korea. During a security inspection at the Port of Kobe, bagged cocaine (400kg, street value 8 billion yen) was discovered mixed in with the container cargo (iron ore).

4) In February 2020 (Port of Osaka)

A container ship arrived in Osaka from South America via Europe and the Middle East, then East Asia. 14 solid objects (14kg, street value 280 million yen) wrapped with adhesive tape were discovered in a reefer container (foodstuff) loaded in South America in December 2019.

5) In March/April 2020 (Port of Yokohama)

A container ship arrived at Yokohama from Ecuador via Colombia. Cocaine (700kg, street value 14 billion yen) was discovered in a reefer container. This is believed to be the largest amount ever seized in a single shipment.

4. Major examples of drug discovery locations

The following are examples of drug smuggling methods and hiding places, which can be considered as important points to be inspected during the search (inspection).

- (a) In bulk cargo holds: smuggled in coal or ore. Drugs have been found hidden near the ladder of cargo holds.
- (b) Inside containers: security seals are removed, drugs are hidden inside the container, for example by blending them into the cargo inside the container, then the now-repaired security seal is replaced. The seal may be an anti-theft/tampering seal or, with the increase of 3D printers, a duplicate of the original container seal with the correct seal number. In reefer containers, drugs may be hidden in and around equipment, such as evaporator fans, and fan motors (blower electric motors), electronic controllers (control bases), and sensors (temperature and pressure detectors).
- (c) RORO vessels: Drugs are hidden in the cargo of vehicles, freight cars, trailers, buses, etc.
- (d) Mixing drugs with liquids: drugs are mixed with gasoline, industrial oils, fruit juices, vegetables, coconut oil, water, and cleaning solutions, and brought on board. After arriving at the destination, the smuggler mixes acetone ether (chemical organic solvent) to separate the drugs from the other liquids.
- (e) Onboard: a visitor or crew member brings drugs onboard, and hides them.
- (f) Overboard: rudder trunks with drugs inside are attached to the ship's hull or, in some cases, divers may attach the drugs to the underwater parts of the hull of an anchored ship.
- (g) Underway: A speedboat (small high-speed boat) is used to attach drugs to a vessel underway.

5. Prevention measures

In some cases, crew members are involved in smuggling, while in other cases, crew members are not involved at all and the drugs are transported by sea without their knowledge.

First of all, the company and the crew should have a common understanding of the risks of drug smuggling, and the crew should not be involved in drug smuggling. Following the Ship Security Plan, the crew should also immediately report any suspicious activity on or off the ship. We would ask you to take stringent security measures in accordance with the Ship Security Plan to avoid the risk of drug smuggling.

In order to assist you in your ship security planning, we have prepared two posters to be displayed on board. Please visit our website and download the posters (<u>https://www.piclub.or.jp/en/lossprevention/poster</u>) and help prevent such incidents.

Yours faithfully,

The Japan Ship Owners' Mutual Protection & Indemnity Association