



ANNUAL MEETING MIAMI 2019

LINER & PORT AGENCY PLENARY MEETING
2nd OCTOBER 2019

**THE SHIP AGENTS' ROLE IN PREVENTING TRADE IN ILLICIT
GOODS**

JOHN A. FOORD FICS
PAST PRESIDENT

“Illicit” – adjective:

not legally permitted or authorised; unlicensed;
unlawful

disapproved of or not permitted for moral or ethical reasons

Illicit goods includes drugs, endangered
species and counterfeit items



FONASBA recognises the role of the ship agent in preventing such trade and has joined both United for Wildlife and BASCAP

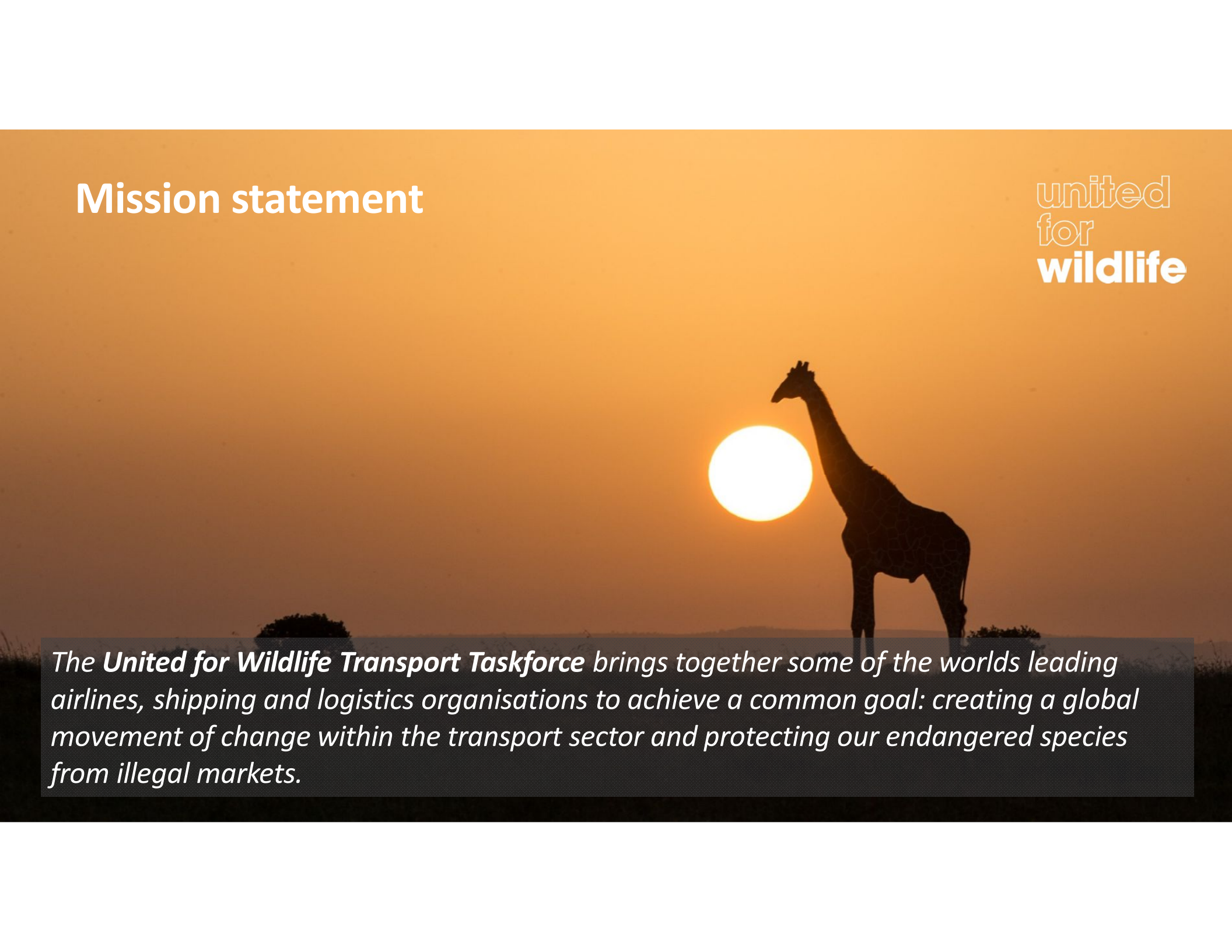


A wide-angle photograph of a savanna landscape. In the foreground, two African elephants are standing in a field of green and yellow grass. The elephant on the left is facing left, and the one on the right is facing right. In the background, there are several acacia trees and a large, snow-capped mountain under a blue sky with some clouds.

united
for
wildlife

Mission statement

united
for
wildlife



*The **United for Wildlife Transport Taskforce** brings together some of the world's leading airlines, shipping and logistics organisations to achieve a common goal: creating a global movement of change within the transport sector and protecting our endangered species from illegal markets.*



Wildlife trafficking & its impact

- \$7-23 billion USD per annum
- 4th largest black-market trade
- Rhinos: 4 per day
- Elephants: 50+ per day
- Rangers: 1,000 in the last 10 years

“We have the chance
to say that ivory is a
symbol of destruction,
not of luxury and not
something that anyone
needs to sell or trade.”

The Duke of Cambridge



Transport Taskforce

Aims and objectives



Raise awareness



Providing Intelligence



Sharing best practice



Facilitating Tech innovation

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Collaborative engagement

- Private sector
 - Transport and Finance
 - Industry bodies
- Government
- Law enforcement
- NGO's

"Traffickers are brazenly exploiting global financial systems to move the proceeds of their crimes, remaining under the radar of investigation and law enforcement. Financial institutions can, therefore, play a crucial role in disrupting such criminal activities and ending the illegal wildlife trade."

Lord William Hague



Transport Taskforce

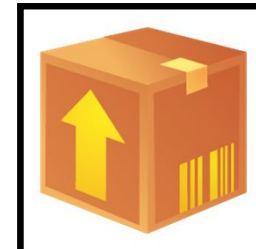
100+ signatories to the Buckingham Palace Declaration



**65 Airlines /
air industry**



**24 maritime /
shipping**



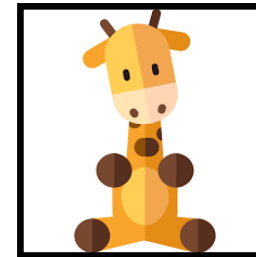
**7 freight forward
/ logistics**



**5 law enforcement
/ government**



**1 legal
advisor**



5 NGO's

HAMBURG SÜD

中国南方航空
CHINA SOUTHERN AIRLINES

JSA



ETIHAD AIRWAYS PARTNER

air seychelles

DHL EXPRESS

Air Vanuatu

INSTITUTE OF CHARTERED SHIPBROKERS

AIR MAURITIUS

KLM
Royal Dutch Airlines

Aircalin
Nouvelle-Calédonie

EGYPTAIR
A STAR ALLIANCE MEMBER

MSC



Heathrow
Making every journey better

airberlin
Your Airline.

IAG
INTERNATIONAL AIRLINES GROUP

JET AIRWAYS



OLSC
Liberian Shipowners' Council Ltd.

INTERCARGO
International Association of Dry Cargo Shipowners

Border Force



MONJASA

CLIR
CRUISE LINES INTERNATIONAL ASSOCIATION



TAP PORTUGAL

TAA

Stena

ACI
AIRPORTS COUNCIL INTERNATIONAL



Kenya Airways

AEROMEXICO

AirSERBIA

Air transat

FONASBA

Emirates



Philippine Airlines

JAL
JAPAN AIRLINES



MAERSK

Srilankan Airlines



TRAFFIC
the wildlife trade monitoring network

malaysia AIRLINES

SF AIRLINES
顺丰航空

ROYAL BRUNEI AIRLINES

INDIA AIR



Danish Shipowners' Association

AIR TAHITI



中国国际货运航空公司
AIR CHINA CARGO

ANA

AIR FRANCE

LUXAIR

Stolt-Nielsen



DLA PIPER

SOUTH AFRICAN AIRWAYS
A STAR ALLIANCE MEMBER

CATHAY PACIFIC

Bangkok Airways

FINNAIR

BIFA
BRITISH INTERNATIONAL FREIGHT ASSOCIATION

MAI
Myanmar Airways International

AirTahitiNui

TURKISH AIRLINES

SINGAPORE AIRLINES

UK CHAMBER of SHIPPING

QATAR AIRWAYS
القطرية

ATA
Animal Transportation Association



Alitalia

Biman
BANGLADESH AIRLINES

中国邮政
CHINA POST

AIR NEW ZEALAND

Air Niugini

IATA

ETIHAD AIRWAYS
ABU DHABI

SHALOM MOVERS



DHL

MARCURA DP WORLD

جمارك دبي
DUBAI CUSTOMS

ICELANDAIR



ลาว
Lao Airlines



UNDP

Foreign & Commonwealth Office

virgin australia

Bulgaria Air

cargolux

Malindo air

QANTAS

中華航空
CHINA AIRLINES

IMO
INTERNATIONAL MARITIME ORGANIZATION

SILK AIR



© Keith Connelly / IUCN

Taskforce results

- 68,000 industry employees trained
- 52 law enforcement investigations supported
- 19 shipments interdicted
- 12 trafficker arrests
- East African criminal network disrupted

What more can we do?

- Sign the Buckingham Palace Declaration
- Start receiving transport sector IWT intelligence bulletins, including red flags to look out for
- Identify the reporting chain if you suspect cases of IWT
- Look at improving policies on high risk routings e.g. publishing a zero-tolerance statement and adding to your customer contracts
- Raise awareness



Questions...

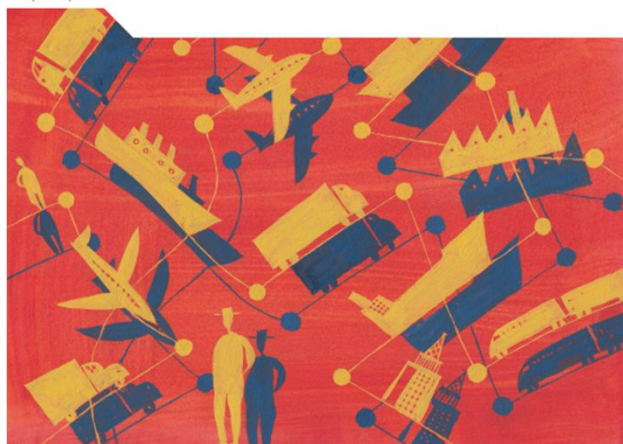
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wildlife



MARITIME DECLARATION OF INTENT

OECD Report 2019

- Global cross-border trade in counterfeits – **\$509 Billion USD** in 2016 (up from \$461 Billion in 2013)
- **3.3%** of total global trade value (up from 2.5% in 2013)
- All categories of product are faked – shampoos, food, medicines, toys, electrical etc.
- China and Hong Kong continue to be the largest source of fake goods



Frontier Economics report 2016



Internationally traded goods (OECD estimates)

- \$461 billion (2013)
- \$991 billion (2022 forecast)

Domestic production and consumption

- \$249-456 billion (2013)
- \$524-959 billion (2022 forecast)

Digital piracy (music, movies and software)

- \$ 213 billion (2013)
- \$384-856 billion (2022 forecast)

Wider economic effects

- \$737-898 Billion (2013)
- \$1.54-1.87 trillion (2022 forecast)

Overall costs

Total impact estimated at
\$4.2 trillion and 5.4
million legitimate jobs at
risk by 2022

Size of the issue - EU

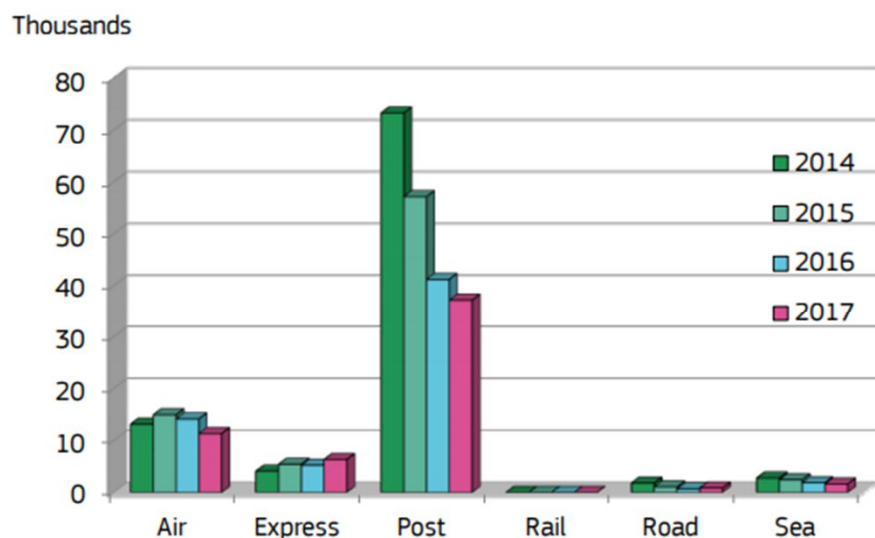


Chart 13. Registered cases by means of transport

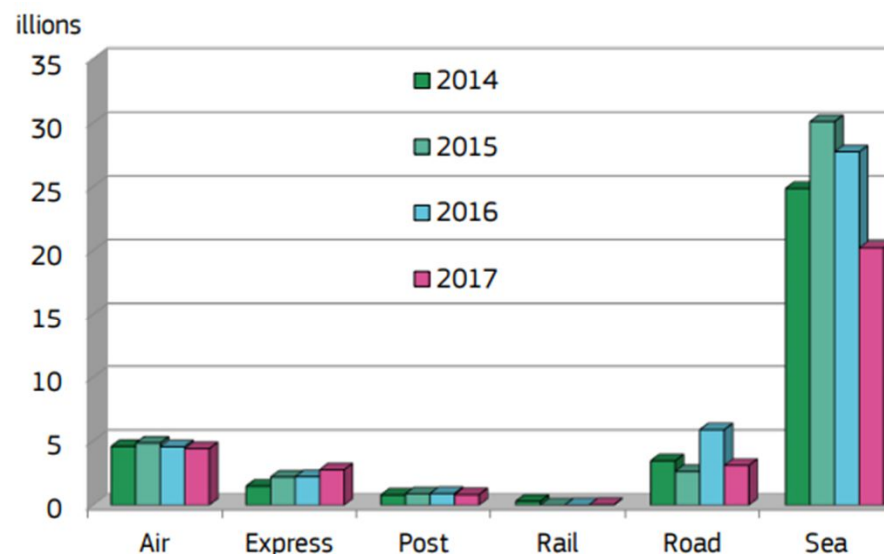
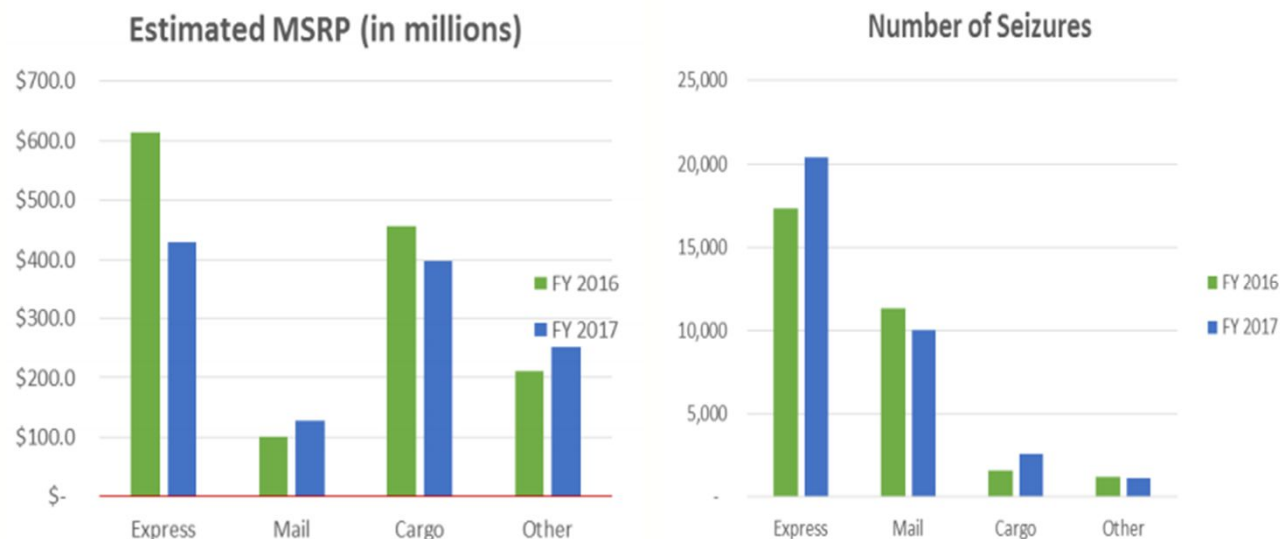


Chart 14. Detained articles by means of transport

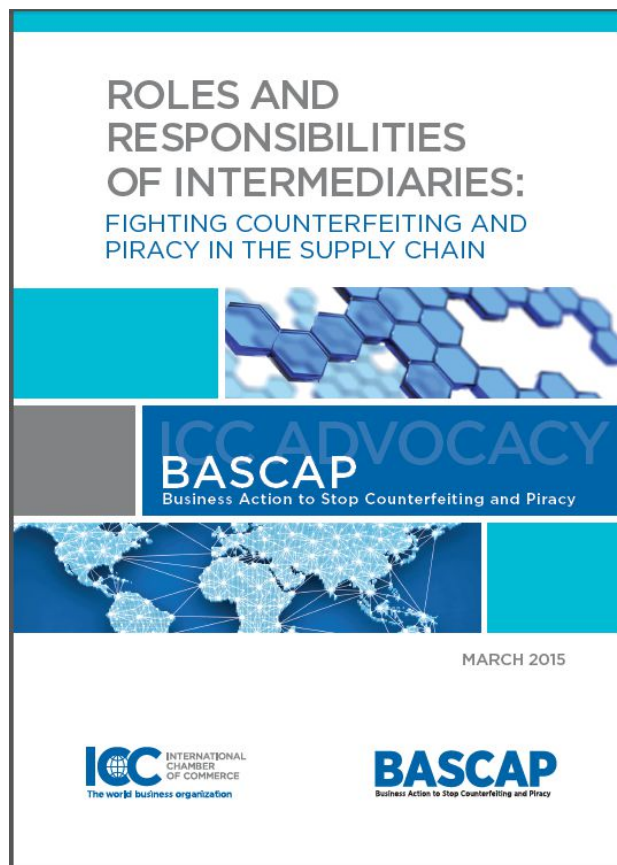
Source: EC Report on the EU customs enforcement of intellectual property rights: Results at the EU border, 2017

Size of the issue - US



- Greatest value of seizures express, followed by cargo
- Volume of cargo seizures significantly lower than that of express and mail, but almost as high in value

Source: Homeland
Security IPR Seizure
statistics FY 2017



Background: BASCAP Intermediaries engagement

- In March 2015, BASCAP published a report on intermediaries
- The goals of the report were to:
 1. **Raise awareness** of intermediary vulnerabilities
 2. **Review current approaches** across multiple sectors and intermediary groups to address the problem
 3. **Identify alternative solutions**
 4. **Assess whether these programs are working**
 5. **Suggest best practices and measures** for intermediaries working independently and with right holders/governments to more effectively address the problem

Background: the Maritime DOI



- The BASCAP group identified maritime as the first area for engagement
- The goal was to engage with the maritime sector to follow up on the recommendations in the report
- The first meetings took place in October 2015 with CMA-CGM and Kuehne & Nagel, swiftly followed by meetings with MSC and Maersk and later Expeditors
- The **Declaration of Intent to Prevent the Maritime Transportation of Counterfeit Goods** was signed in Brussels on 30 November 2016
- The signatories are progressing the creation of operational standards in 4 areas: KYC & Due Diligence; Supply Chain Integrity; Risk Profiling; Data Sharing. KYC Best Practices were published in March 2018, with Due Diligence and Supply Chain Integrity best practices added in September 2018.
- Work is also ongoing to raise awareness of the issue of counterfeiting in the maritime supply chain, and to recruit new signatories

Signatories to the DOI



PHILIP MORRIS INTERNATIONAL



KYC, DD, Supply Chain Integrity Best Practices

- Practical result of cross-industry collaboration
- Voluntary, recommended practices to fight counterfeits before they enter supply chain
- KYC and Due Diligence practices for maritime operators
- Supply Chain Integrity practices for MOs and Brand Owners
- Published at the Interpol IP Crime Conference in Dubai – September 2018
- Long term objective to make these business as usual across the industry



INTRODUCTION

In November 2016, as part of efforts to combat the transportation of counterfeit goods, Brand Owners, vessels operators, and Freight Forwarders came together to sign a Declaration of Intent ("DOI") to prevent the maritime transportation of counterfeit goods.

From that point, signatories have worked together intensively to develop voluntary guidelines in various areas to tackle the issue of counterfeit goods within the supply chain including "Best Practices in Know Your Customer ("KYC Best Practices") for Maritime Operators" initially published in March 2018.

This paper incorporates the original KYC Best Practices to which further voluntary recommended best practices have been added which Maritime Operators, Brand Owners, and Suppliers can, acting independently and voluntarily, use as a first step to tackle the issue of counterfeit goods within the supply chain.

Maritime Operators, Brand Owners and Suppliers, acting independently and voluntarily, may decide as to whether and with whom they are doing business and who they independently choose to discontinue doing business with, subject to relevant laws.

Fighting counterfeiting



Are you on board?



Thank you.