



Using Intelligence to Predict Global Supply Chain Threats

Date: March 15th, Track B, Session 4 – 12:10 to 13:00hrs

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CARGO CRIME ACCELERATION

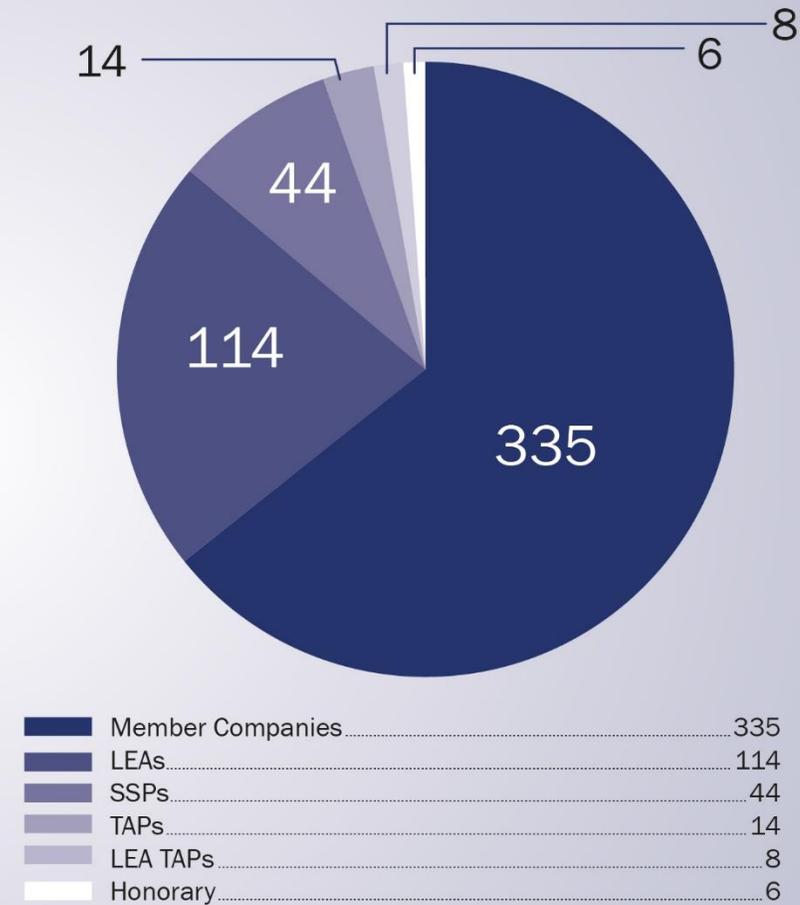
MINIMISING RISK IN GLOBAL SUPPLY CHAINS

ABOUT TAPA EMEA

TAPA's mission is to minimise losses from the supply chain

TAPA members benefit from:- Cargo crime incident alerts & intelligence- Monthly, quarterly & annual freight loss reports - Industry-leading Security Standards for facilities, trucking and secure parking - Training to support TAPA Security Standards certification- Access to regulatory bodies and law enforcement agencies - Global conferences & networking events.

- A forum on loss prevention
- Certified Industry Security Standards
- Incident intelligence
- Training
- Networking & sharing of best practice
- Collaboration with regulatory bodies & law enforcement agencies



THREATS TO TODAY'S SUPPLY CHAINS

- Terrorism
- Cyberattacks
- Organised crime gangs
- Opportunists
- Fraudulent pick-ups
- Manipulation of online freight exchanges



- Bogus 'police' stops
- Truck hijackings
- 'Curtain-cutting' of parked trailers
- Thefts from moving vehicles
- Internal thefts
- Clandestine intrusions

Many attacks now involve violence or the threat of violence, more and more criminals use weapons, and innocent lives have been lost

THE IMPACT OF CARGO CRIME

THREATS TO BUSINESS

- Risks to employee & public safety
- Financial cost of recovery
- Inability to fulfill customer orders
- Damaged reputation & brand
- Disrupted production schedules
- Lost productivity
- Increased insurance premiums

ECONOMIC THREATS

- Major companies want to avoid crime 'hotspots'
- Potential impact on employment & national/regional investment
- Additional pressure on police resources

The true cost of loss can be 5-7 x the value of the stolen goods. In Europe alone, one EU study* estimated the cost of cargo crime to be some €8.2 billion annually.

* SOURCE: European Parliament study: Organised theft of commercial vehicles & their loads in the European Union

2017
RECORDED
CARGO CRIMES
IN EMEA

139

Number of major losses
with a value over €100,000

2,880

Number of cargo crimes
reported to TAPA's IIS in
EMEA – up 10.3% over the
2,611 theft incidents in 2016

41

Number of countries
in the EMEA region
reporting cargo theft
incidents in 2017
vs. 34 in 2016

1,493

The United Kingdom recorded
the highest number of cargo
crimes – 51.8% of the annual
total and a 25.6% increase YoY
in supply chain thefts



9.8%

Food & Drink was the IIS product
category with most thefts, 282 in total or
9.8% of all crimes

€62,178

Average loss for cargo thefts with a value

€105,081,153

Total loss for all
crimes reporting
a value in 2017

€8,108,416 €

An Internal theft of Cash-in-Transit from an armoured truck
near Heathrow Airport's Terminal 4 in the UK on 14 March 2017



19 Number of TAPA IIS
product categories
recording losses

4.5% year-on-year increase in crimes with losses over €100K

58.6% of crimes provided a loss value

€54,986,504

Total value of recorded crimes with
a loss of more than €100,000

89.9%

Annual increase in recorded cargo crimes in
Unsecured Parking locations compared to 2016

386

The number of incidents
with a loss value between
€50,000 and €100,000

73.5%

Of reported incidents involved Theft from
Vehicle, 2,114 crimes in total

€395,586

Average loss for the
139 major cargo crimes
in EMEA

€25.3m

Total value of
losses between
€50,000-
€100,000

2,019

Of the freight theft incidents in
EMEA took place in Unsecured
Parking locations in 2017

96.4%

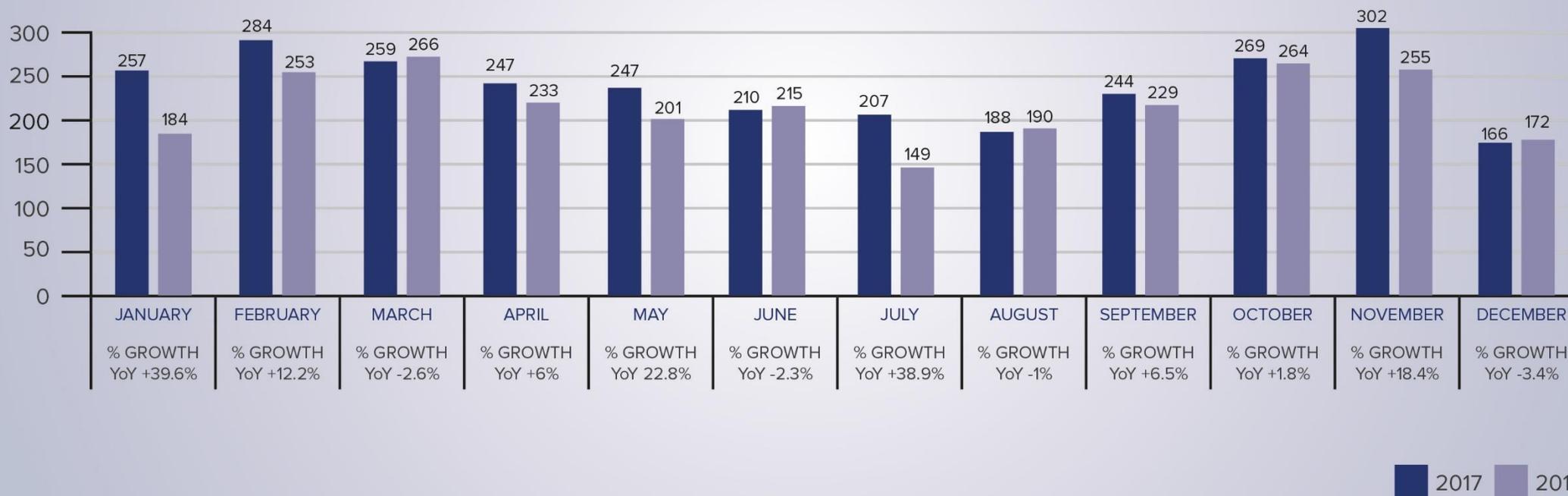
Or 2,779 of crimes
recorded in 2017 took place
in 10 countries in EMEA

TAPA
Transported Asset Protection Association



2017 - A YEAR OF RISING CARGO CRIME

Based on loss data reported to TAPA's Incident Information Service (IIS) in the EMEA region for the 12 months of 2017 vs. 2016



EMEA CARGO CRIME BY COUNTRY IN 2017

| COUNTRY | 2017 | VS. 2016 | % CHANGE YoY |
|----------------------|------|----------|--------------|
| AUSTRIA | 3 | 13 | -76.90% |
| BELGIUM | 39 | 19 | 105.20% |
| BOSNIA & HERZEGOVINA | 2 | 0 | n/a |
| BOTSWANA | 1 | 0 | n/a |
| CYPRUS | 1 | 0 | n/a |
| CZECH REPUBLIC | 15 | 8 | 87.50% |
| DENMARK | 12 | 5 | 140% |
| EGYPT | 1 | 0 | n/a |
| FRANCE | 65 | 47 | 38.20% |
| GEORGIA | 1 | 0 | n/a |
| GERMANY | 262 | 304 | -13.80% |
| GREECE | 4 | 0 | n/a |
| HUNGARY | 1 | 1 | no change |
| IRELAND | 2 | 2 | no change |
| ITALY | 48 | 60 | -20% |
| KAZAKHSTAN | 1 | 0 | n/a |
| KENYA | 3 | 2 | 50% |
| LATVIA | 1 | 0 | n/a |
| LUXEMBOURG | 1 | 13 | -92.30% |
| MACEDONIA | 3 | 0 | n/a |
| MONGOLIA | 1 | 0 | n/a |

| COUNTRY | 2017 | VS. 2016 | % CHANGE YoY |
|----------------------|-------|----------|--------------|
| MOZAMBIQUE | 1 | 1 | no change |
| NAMIBIA | 1 | 0 | n/a |
| NETHERLANDS | 579 | 572 | 1.20% |
| NIGERIA | 1 | 4 | -75% |
| NORWAY | 13 | 2 | 550% |
| POLAND | 13 | 11 | 18.10% |
| ROMANIA | 1 | 2 | -50% |
| RUSSIA | 44 | 62 | -29% |
| SERBIA | 1 | 0 | n/a |
| SLOVAKIA | 5 | 0 | n/a |
| SLOVENIA | 5 | 0 | n/a |
| SOUTH AFRICA | 53 | 48 | 10.40% |
| SPAIN | 39 | 29 | 34.40% |
| SWAZILAND | 1 | 0 | n/a |
| SWEDEN | 157 | 196 | -19.80% |
| TUNISIA | 1 | 0 | n/a |
| UGANDA | 1 | 1 | no change |
| UKRAINE | 2 | 2 | no change |
| UNITED ARAB EMIRATES | 2 | 2 | no change |
| UNITED KINGDOM | 1,493 | 1,188 | 25.60% |

*Note: Switzerland (9), Algeria (1), Andorra (1), Bulgaria (1), Côte D'Ivoire (1), Finland (1), Liechtenstein (1), Portugal (1) and Turkey (1) all recorded crimes in the TAPA EMEA IIS database in 2016, but none in 2017. The overall total number for 2016 was 2,611.

TOTAL

2017:
2,880

2016:
2,594*

% CHANGE YoY
11%

COUNTRIES RECORDING MAJOR CARGO LOSSES IN EMEA IN 2017 - BY PRODUCT

| COUNTRY | 2017 | 2016 | % CHANGE YoY | COMBINED VALUE OF MAJOR LOSSES IN 2017 | AVERAGE MAJOR LOSS VALUE IN 2017 |
|----------------------|------|------|--------------|--|----------------------------------|
| AUSTRIA | 1 | 1 | No change | € 135,000 | € 135,000 |
| BELGIUM | 2 | 0 | n/a | € 722,824 | € 361,412 |
| CZECH REPUBLIC | 1 | 0 | n/a | € 450,000 | € 450,000 |
| DENMARK | 1 | 1 | No change | € 266,666 | € 266,666 |
| FRANCE | 1 | 4 | -75% | € 1,700,000 | € 1,700,000 |
| GERMANY | 16 | 22 | -27.20% | € 3,218,631 | € 201,164 |
| GREECE | 1 | 0 | n/a | € 326,378 | € 326,378 |
| ITALY | 3 | 10 | -70% | € 809,770 | € 269,923 |
| KAZAKHSTAN | 1 | 0 | n/a | € 149,000 | € 149,000 |
| KENYA | 1 | 0 | n/a | € 184,801 | € 184,801 |
| NETHERLANDS | 6 | 3 | 100% | € 1,593,777 | € 265,629 |
| NORWAY | 2 | 0 | n/a | € 229,072 | € 114,537 |
| POLAND | 2 | 1 | 100% | € 1,636,000 | € 818,000 |
| RUSSIA | 1 | 4 | -75% | € 112,000 | € 112,000 |
| SLOVAKIA | 1 | 0 | n/a | € 180,000 | € 180,000 |
| SOUTH AFRICA | 8 | 7 | 14.20% | € 6,854,175 | € 856,771 |
| SPAIN | 6 | 5 | 20% | € 1,968,514 | € 328,085 |
| SWEDEN | 6 | 9 | -33.30% | € 1,247,683 | € 207,947 |
| UNITED ARAB EMIRATES | 1 | 0 | n/a | € 1,014,040 | € 1,014,040 |
| UNITED KINGDOM | 78 | 64 | 21.80% | € 32,188,173 | € 412,668 |

* Note: The total number of major cargo crimes in EMEA in 2016 was 133 and also included single incidents in Bulgaria and Ukraine. These two countries did not record any major incidents in 2017.

| | | | | |
|--------------|----------------------|-----------------------|--------------------|-----------------|
| TOTAL | 2017: 139 | 2016: 131* | €54,986,504 | €398,452 |
|--------------|----------------------|-----------------------|--------------------|-----------------|

TOP 10 CARGO CRIMES IN 2017



€8,108,416

The theft of cash-in-transit from an armoured vehicle near Heathrow Airport's Terminal 4 on 14 March



€5,864,594

Thieves used their own tractor unit to steal two trailers loaded with car engines in the UK West Midlands on 31 January



€3,466,907

A truck hijacking in Johannesburg, South Africa, on 24 June and the thefts of electronics goods



€2,347,879

The theft of 15th & 16th century antique books from a warehouse near Heathrow Airport, UK, on 12 February



€1,743,861

Thieves dressed as police officers intercepted a cargo on cash at Johannesburg's O.R. Tambo International Airport on 7 March



€1,526,113

A violent truck hijacking by four offenders and the loss of 2,000 laptops in Accrington, UK, on 5 January



€1,500,000

The Deceptive Pick-up of a shipment of televisions from an Authorised 3rd Party Facility in Poland on 9 October



€1,137,865

A Deceptive Pick-up of 20 tonnes of metal from an Origin Facility in Leicestershire, UK, on 25 September



€1,135,601

Thieves arrived at a secured yard in a tractor unit and stole a trailer loaded with whiskey on 3 December in Banbury, UK



€1,014,040

An employee at an Origin Facility in Sharjah, UAE, stole pharmaceuticals to sell on to other companies on 24 January

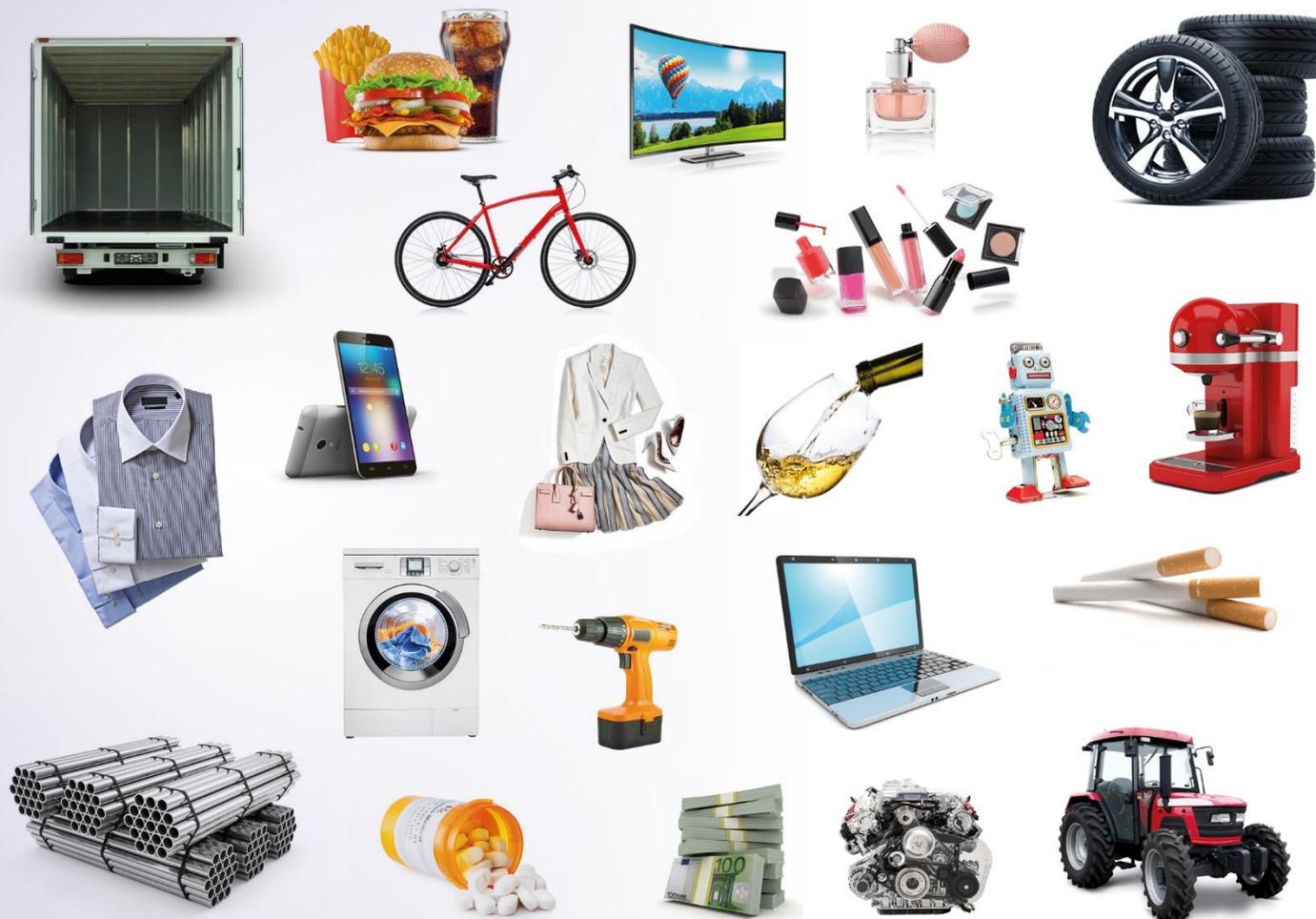
MAJOR CARGO THEFTS OVER €100,000 IN EMEA IN 2017

| PRODUCT | NUMBER OF INCIDENTS | TOTAL VALUE OF INCIDENTS |
|--------------------------------|---------------------|--------------------------|
| FOOD & DRINK | 20 | € 3,941,450 |
| CLOTHING & FOOTWEAR | 19 | € 3,767,374 |
| COMPUTERS/LAPTOPS | 18 | € 5,425,166 |
| FURNITURE/HOUSEHOLD APPLIANCES | 18 | € 3,820,406 |
| MISCELLANEOUS | 11 | € 7,150,014 |
| CAR PARTS | 9 | € 7,479,200 |
| PHONES | 8 | € 4,075,248 |
| METAL | 6 | € 1,732,393 |
| TOBACCO | 6 | € 1,233,666 |
| NO LOAD | 5 | € 1,547,486 |
| PHARMACEUTICALS | 4 | € 2,011,862 |
| COSMETICS & HYGIENE | 3 | € 478,006 |
| TOOLS/BUILDING MATERIALS | 3 | € 474,279 |
| TYRES | 3 | € 530,337 |
| CASH | 2 | € 9,852,277 |
| UNSPECIFIED | 2 | € 547,759 |
| SPORTS EQUIPMENT | 1 | € 812,420 |
| TOYS/GAMES | 1 | € 107,161 |
| TOTAL 2017 | 139 | € 54,986,504 |
| VS. TOTAL 2016 | 133 | € 46,689,214 |
| % CHANGE YEAR-ON-YEAR | 4.50% | 17.70% |

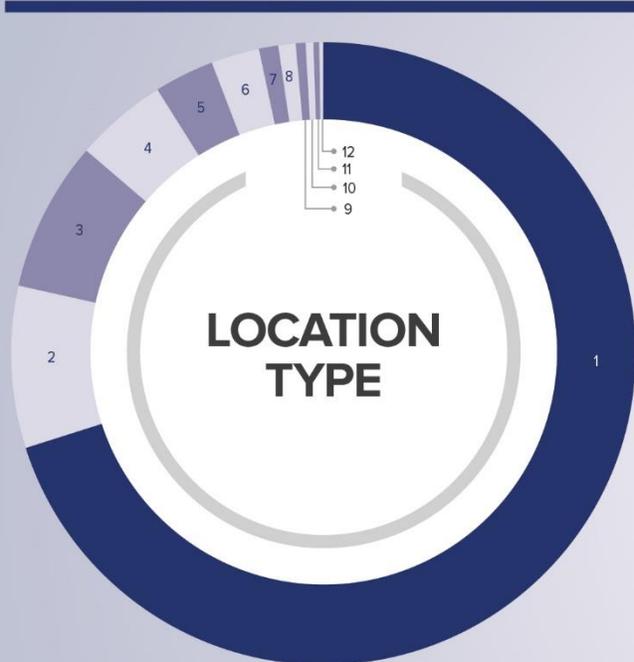


THEFT BY PRODUCT IN ALL RECORDED CRIMES IN 2017

| | *Number of incidents | % of total |
|---|----------------------|------------|
| Unspecified | 999 | 34.77% |
| Miscellaneous | 292 | 10.1% |
| Food & Drink | 282 | 9.8% |
| Furniture/Household Appliances | 208 | 7.2% |
| Clothing & Footwear | 197 | 6.8% |
| No Load (Theft of truck and/or trailer) | 178 | 6.2% |
| Tobacco | 129 | 4.5% |
| Computers/Laptops | 125 | 4.3% |
| Cosmetics & Hygiene | 110 | 3.8% |
| Car Parts | 71 | 2.5% |
| Tools/Building Materials | 66 | 2.3% |
| Tyres | 51 | 1.8% |
| Metal | 44 | 1.5% |
| Pharmaceuticals | 34 | 1.2% |
| Toys/Games | 32 | 1.1% |
| Phones | 25 | 0.9% |
| Cash | 13 | 0.5% |
| Bicycles | 10 | 0.3% |
| Sports Equipment | 10 | 0.3% |
| Agricultural Materials | 3 | 0.1% |
| Jewellery/Precious Metals | 1 | 0.03% |



TYPES OF CARGO CRIME IN 2017



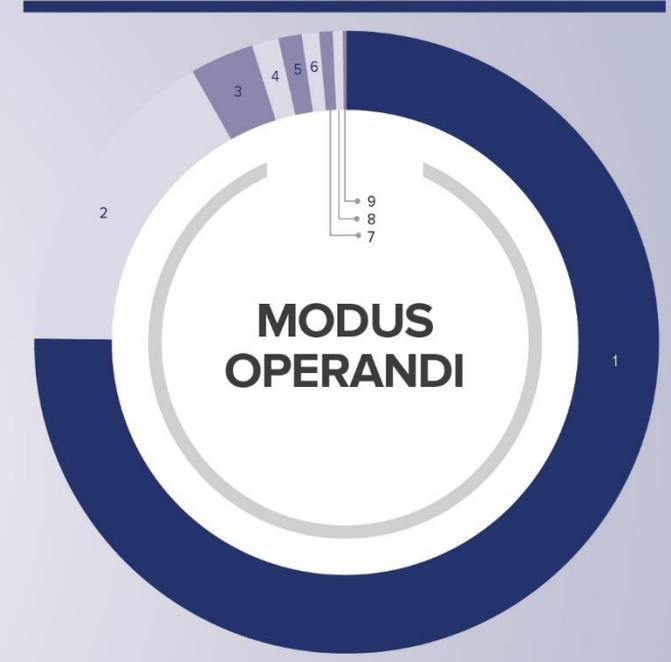
% of all 2017 incidents

| | | | | | | | |
|---|-----------------------------|------|-------|----|----------------------------------|----|------|
| 1 | Unsecured Parking | 2019 | 70.1% | 7 | Railway Operation Facility | 28 | 1% |
| 2 | Secured Parking | 241 | 8.4% | 8 | Destination Facility | 27 | 0.9% |
| 3 | Unknown | 224 | 7.8% | 9 | Authorised 3rd Party Facility | 14 | 0.5% |
| 4 | En Route | 137 | 4.8% | 10 | Maritime Transportation Facility | 12 | 0.4% |
| 5 | Origin Facility | 89 | 3.1% | 11 | Aviation Transportation Facility | 11 | 0.3% |
| 6 | Services 3rd Party Facility | 72 | 2.5% | 12 | Road Transportation Facility | 6 | 0.2% |



% of all 2017 incidents

| | | | | | | | |
|---|--------------------|------|-------|----|----------------------|----|------|
| 1 | Theft from Vehicle | 2114 | 73.5% | 9 | Theft from Facility | 41 | 1.4% |
| 2 | Theft from Trailer | 152 | 5.3% | 10 | Fraud | 37 | 1.3% |
| 3 | Theft of Trailer | 108 | 3.7% | 11 | Theft from Container | 35 | 1.2% |
| 4 | Theft of Vehicle | 99 | 3.5% | 12 | Clandestine | 20 | 0.7% |
| 5 | Robbery | 69 | 2.4% | 13 | Theft from Train | 9 | 0.3% |
| 6 | Hijacking | 63 | 2.2% | 14 | Theft of Container | 7 | 0.2% |
| 7 | Truck Theft | 62 | 2.1% | 15 | Unknown | 3 | 0.1% |
| 8 | Theft | 61 | 2.1% | | | | |



% of all 2017 incidents

| | | | | | | | |
|---|--------------------------------|------|-------|---|---------------------------|----|------|
| 1 | Intrusion | 2165 | 75.2% | 6 | Theft from Moving Vehicle | 25 | 0.9% |
| 2 | Unknown | 479 | 16.6% | 7 | Forced Stop | 21 | 0.7% |
| 3 | Violent & Threat with Violence | 95 | 3.3% | 8 | Deceptive Pick Up | 16 | 0.5% |
| 4 | Deception Other | 40 | 1.4% | 9 | Deceptive Stop | 7 | 0.2% |
| 5 | Internal | 32 | 1.2% | | | | |

YEAR-ON-YEAR ANALYSIS

Based on all cargo crimes reported to TAPA's Incident Information Service (IIS) in 2017 vs. 2016 in the EMEA region

| INCIDENT DATA COMPARISON | 2017 | 2016 | CHANGE YoY |
|--|--|--|------------------|
| Total number of reported cargo crimes | 2,880 | 2,611 | +10.3% |
| % of freight thefts stating a value | 58.6% | 43.50% | +15.1% |
| Total loss for all incidents recording a value | €105,081,153 | €77,655,411 | +€27,425,742 |
| Average loss for the year based on incidents reporting a value | €62,178 | €68,359 | -€6,181 |
| Number of major crimes with a loss value of more than €100,000 | 139 with average loss of €395,586 | 133 with an average loss of €351,031 | +6 |
| % of crimes classified as major losses | 4.7% | 5% | -0.3% |
| Country with the highest number of recorded freight thefts | United Kingdom - 1,493 incidents | United Kingdom - 1,188 incidents | +25.6% |
| Most recorded type of incident | Theft from Vehicle - 2,114 or 73.5% | Theft from Vehicle - 1,584 = 60.7% | Incidents +33.4% |
| Most recorded type of location | Unsecured Parking - 2,019 or 70.1% | Unsecured Parking - 1,063 incidents = 40.7% | Incidents +89.9% |
| Most recorded modus operandi used by thieves | Intrusion - 2,165 or 75.2% | Intrusion - 1,732 incidents = 66.3% | Incidents +25% |
| Total number of countries recording cargo losses in EMEA | 41 | 34 | +7 |
| Biggest single loss | €8,108,416 - Internal theft of cash-in-transit near Heathrow Terminal 4 in the United Kingdom on 14 March 2017 | €4 million of Jewellery/Precious Metals stolen while En Route in Arezzo, Italy | +€4,108,416 |

**HOW IS TAPA HELPING ITS
MEMBERS TO PROTECT
THEIR SUPPLY CHAINS?**

TAPA's Incident Information Service collates loss data and crime intelligence

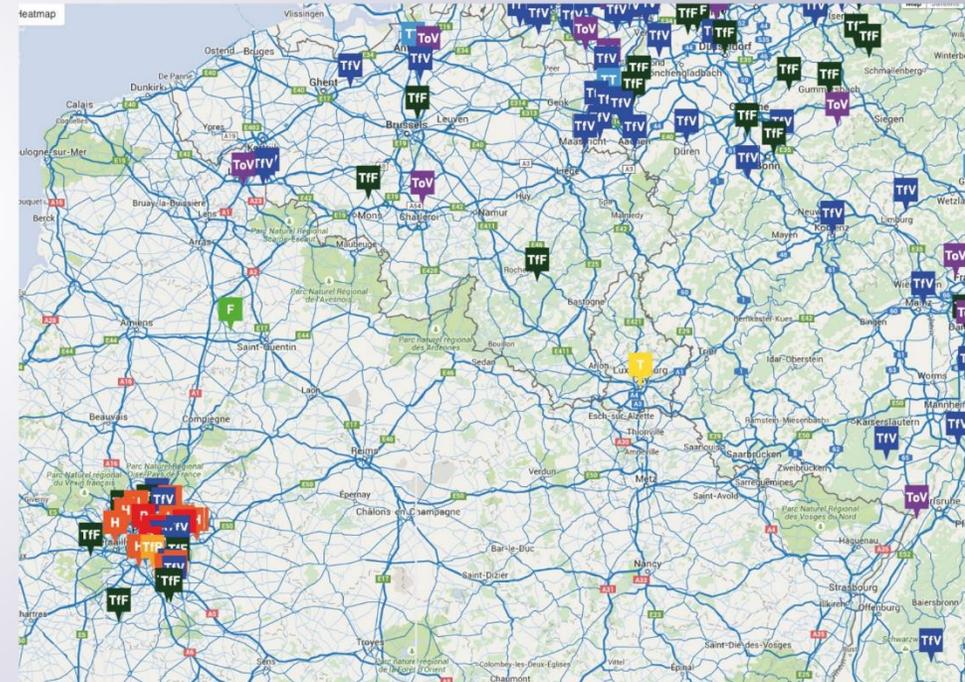
- The database helps TAPA members plan their supply chains based on a clearer understanding of crime 'hotspots' and the modus operandi of criminals
- Cargo crime intelligence is reported to TAPA's IIS by members, insurers and law enforcement agencies, and gathered from media sources
- IIS issues latest incident crime alerts to members
- Insurers use IIS to assess risk
- IIS produces quarterly and annual cargo crime reports to provide additional insight for its members



WATCH TAPA'S IIS 'EXPLAINER' VIDEO



| Incident ID | Date | Location | Type | Status | Severity |
|-------------|------------|------------------------|--------|----------|----------|
| 10000001 | 2023-01-15 | London, UK | Theft | Resolved | Low |
| 10000002 | 2023-01-18 | Paris, France | Damage | Open | High |
| 10000003 | 2023-01-20 | Amsterdam, Netherlands | Loss | Resolved | Medium |
| 10000004 | 2023-01-22 | Brussels, Belgium | Theft | Open | High |
| 10000005 | 2023-01-25 | Frankfurt, Germany | Damage | Resolved | Low |



Facility Security Requirements (FSR)

TAPA's Facility Security Requirements (FSR) represent minimum standards specifically for secure warehousing, or in-transit storage, within a supply chain.

- The first TAPA FSR was conducted in 2001
- FSR certifications are site/facility
- TAPA's FSR is reviewed/updated every 3 years based on current risks
- Three levels of certification:
 - FSR Level A - Highest security protection
 - FSR Level B – Mid-level security protection
 - FSR Level C – Lowest Security protection
- Levels A, B & C are audited by TAPA-approved Independent Audit Bodies
- Level C can also be achieved by self-certification by an in-house TAPA-trained auditor
- By end Q4/17 = 645 TAPA FSR certifications in EMEA



Trucking Security Requirements (TSR)

TAPA's Trucking Security Requirements (TSR) focus exclusively on transport by truck and represents minimum Standards specifically for transporting products via road within a supply chain.

- TSR was launched in 2005
- TAPA's TSR is reviewed/updated every 3 years based on current risks
- Three levels of certification:
 - TSR Level 1 – Highest security protection
 - TSR Level 2 – Mid-level security protection
 - TSR Level 3 – Lowest level security protection
- Levels 1,2 & 3 are audited by TAPA-approved Independent Audit Bodies (IAB)
- Level 3 can also be achieved by self-certification by an in-house TAPA-trained auditor
- By end Q4/17 = 126 TAPA TSR certifications in EMEA



CERTIFIED INDUSTRY STANDARDS

Parking Security Requirements (PSR)

TAPA EMEA aims to ensure a wide choice of credible secure parking place options are available to its members and associates.

- Launched in 2018, TAPA's PSR offers a number of options and security levels to Parking Place Operators (PPO)
- PSR is available to independent PPO's and those PPO's included in other secure parking schemes
- Five levels of classification:
 - PSR Level 1 – Highest security protection with a formal certification
 - PSR Level 2 – Mid-level security protection with a formal certification
 - PSR Level 3 – Lowest security protection with a formal certification
 - PSR Partnership Declaration – Minimum entry level not requiring a formal certification
 - PSR Mutual Recognition Agreement – Formal recognition of Secure Parking Schemes designed and operated by other TAPA-approved organisations



TAPA's PSR is supported by the Association's Secure Parking Online Tool, which enables members to map cargo crime incidents on specific routings and identify TAPA PSR secure parking locations to protect high value, theft targeted loads.

COLLABORATING WITH PARTNERS

WORKING WITH LIKE-MINDED PARTNERS

TAPA works closely alongside law enforcement agencies, regulatory bodies and other stakeholders that share a joint commitment to promoting supply chain security and reducing the threat of cargo crime.

Collaboration and shared intelligence remains the best way to fight crime.

TAPA is always looking for new partners.



INTERPOL



EUROPEAN SECURE
PARKING ORGANISATION



IUMI
International
Union of
Marine Insurance



WORLD CUSTOMS ORGANIZATION
ORGANISATION MONDIALE DES DOUANES



EUROPEAN
COMMISSION

NETWORKING & COMMUNICATIONS

MAIN CONFERENCES

TAPA EMEA hosts 2 x 2-day conferences a year in a major city in EMEA with 350+ security professionals per event



REGIONAL CONFERENCES

Scheduled in key cargo crime 'hot spots', in EMEA throughout the year



SPEAKERS & PANELISTS

- Governments
- Manufacturers
- Law enforcement agencies
- Insurers
- Logistics service providers
- Technology & equipment suppliers



ONLINE Public and password protected information & intelligence



E-MAGAZINE

Every month, TAPA EMEA's Vigilant e-mag includes the latest crime data and incident news, case studies and regulatory updates



HOW CAN YOU HELP US?

- Become a member
- Share source/s of credible cargo crime incident intelligence



- Identify secure parking sites in EMEA
- Deploy our Security Standards

- Provide editorial reports for our magazine that assist our members' supply chain resilience



Contact us at info@tapaemea.org

**THANK YOU.
ANY QUESTIONS?**

**SETTING THE STANDARD
FOR SECURE SUPPLY CHAINS**

www.tapaemea.org