



U.S. Department  
of Transportation

**Maritime  
Administration**

# ***MARITIME SECURITY REPORT***

Number 3

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September 1996



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**\* September 1996 \***

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## INTRODUCTION

The *Maritime Security Report* is an unclassified quarterly 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 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 criminal 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. 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, Coordinator, Maritime Intelligence & 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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## **A Note to Readers**

The content of this issue of the *Maritime Security Report* is a departure from the report's usual situational and geographic format. The articles report on publications, training courses, and policy developments which contribute to deterring opportunities for criminal exploitation of the maritime transportation system, its users and providers. In that way, the report continues its usual focus 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.

## EXECUTIVE SUMMARY

### **ANTI-TERRORISM - U.S. Coast Guard Issues Passenger Vessel and Terminal Security Inspection Regulations**

The U.S. Coast Guard has published A Security for Passenger Vessels and Passenger Terminals, an Interim Rule pertaining to security regulations and inspection procedures for passenger vessels and terminals. Also published is Navigation and Vessel Inspection Circular 3-96 which provides guidance regarding the implementation of the Interim Rule. The Interim Rule includes:

- \* Requiring submission of vessel and terminal security plans to the Coast Guard for examination,
- \* Incorporating, by reference, of International Maritime Organization measures into the Interim Rule,
- \* Defining the roles and responsibilities of the vessel and terminal security officers.

### **PUBLICATION - Federal/Industry Partnership Produces *International Perspectives On Maritime Security***

A cooperative effort by the commercial maritime industry and U.S. Government agencies has resulted in the publication of a compendium of papers on maritime security. Entitled *International Perspectives On Maritime Security*, the book is the product of a joint project by the Maritime Security Council (an industry trade association based in Houston), the U.S. Department of Transportation (DOT), the U.S. Maritime Administration (MARAD), and the U.S. Coast Guard (USCG). Topics of papers contained in the book include:

- \* Port security operations,
- \* Detecting containerized cargo intrusion by satellite,
- \* Cargo theft methods of operation,
- \* International cruise ship security and maritime terrorism,
- \* Intelligence support to maritime security.

### **PUBLICATION - First Inter-American Course On Port Security, Proceedings Of OAS/Port of Miami Course**

The Port of Miami and the Organization of American States (OAS) have published the *First Inter-American Course on Port Security*

in both English and Spanish. The publication will be made available to the commercial maritime industry and government free of charge. It is a compilation of transcribed proceedings from the training course which was conducted by the Port of Miami Security Division, in cooperation with the OAS, during the period of October 21-November 10, 1995. The training course was attended by port security officials from throughout Latin America and the Caribbean. The publication contains a comprehensive range of topics including:

- \* How to set up a seaport security program,
- \* Considerations pertaining to in-house security forces versus contract security services,
- \* Importance of ensuring active participation by security management when planning seaport operations,
- \* Essential measures for controlling access to the seaport,
- \* Patrolling port facilities,
- \* Training procedures, and
- \* Elements of a successful safety program and its relationship to seaport security.

**POLICY - MARAD/USCG Draft *Maritime Port Security: A National Planning Guide To Assist Commercial Industry***

*Maritime Port Security: A National Planning Guide* is in the process of being produced by agencies of the U.S. Department of Transportation (DOT) for the purpose of conveying the United States Government's policy perspective on port security to the international maritime industry. It will provide an overview of the essential aspects of port security and identify many of the challenges facing a port. It is also intended to provide governments and the international commercial maritime industry with a common basis upon which to establish port security standards and the outcomes expected from meeting those standards.

This planning guide is intended to be the first document in a series to be produced through cooperative efforts of the U.S. Government and the commercial maritime industry. The guide and subsequent technical manuals are intended to be usable by port directors, the directors of port security, and the officers of port security departments in fulfilling their responsibilities toward the development of an effective port security program. Publication and dissemination to the commercial maritime industry as a DOT policy report are planned for late 1996.

## **ANTI-TERRORISM - U.S. Coast Guard Issues Passenger Vessel and Terminal Security Inspection Regulations**

The U.S. Coast Guard published its Interim Rule entitled *ASecurity for Passenger Vessels and Passenger Terminals*, in the *Federal Register* on July 18, 1996. The Interim Rule requires that passenger vessel and terminal operators comply with the requirements to be published by October 16, 1996. Some of the key elements of the Interim Rule include:

- Requiring submission of vessel and terminal security plans to the Coast Guard for examination,
- Incorporation, by reference, of International Maritime Organization measures into the Interim Rule,
- Defining the roles and responsibilities of the vessel and terminal security officers.

In August 1996, the Coast Guard also published a Navigation and Vessel Inspection Circular (NVIC 3-96) which provides implementation guidance of security regulations and inspection procedures for passenger vessels and terminals set forth in the Interim Rule. In NVIC 3-96, guidance is provided for processing Terminal and Vessel Security Plans, assessing the adequacy of those plans, and establishing annual reporting requirements, incident reporting, and threat dissemination procedures.

**Background.** The new Interim Rule and NVIC 3-96 are initiatives intended to reduce the cruise industry's vulnerability to terrorism incidents such as the one involving the Italian cruise liner, *ACHILLE LAURO*. In 1985, an American citizen was killed by terrorists during the seizure of that cruise liner. As a result, the vulnerability of passenger terminals and ships to acts of terrorism has been a significant concern for the international community.

Subsequently, in 1986, the International Maritime Organization (IMO) developed and published *Measures To Prevent Unlawful Acts Against Passengers and Crew On Board Ships* (IMO Circular 443). IMO Circular 443 set forth non-binding guidance for the establishment of effective passenger ship and terminal security and was intended for passenger ships engaged on international voyages of 24 hours or more and the terminals that serve them. However, due to the voluntary nature of these guidelines, no enforcement authority existed.

COMMENT: Navigation and Vessel Inspection Circular 3-96 is available from the U.S. Government Printing Office in hard copy, or from the U.S. Coast Guard on the Internet at the following address: ([www.dot.gov/dotinfo/uscg/hq/nmc/nmc/nvic/nvic396.pdf](http://www.dot.gov/dotinfo/uscg/hq/nmc/nmc/nvic/nvic396.pdf)).

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**PUBLICATION - Federal/Industry Partnership Produces  
*International Perspectives On Maritime Security***

A cooperative effort by the commercial maritime industry and U.S. Government agencies has resulted in the publication of a compendium of papers on maritime security. Entitled *International Perspectives On Maritime Security*, the book is the product of a joint project by the Maritime Security Council (an industry trade association based in Houston), the U.S. Department of Transportation (DOT), the U.S. Maritime Administration (MARAD), and the U.S. Coast Guard (USCG).

An internationally recognized group of authors from government and industry has contributed papers to *International Perspectives On Maritime Security*. The topics of papers contained in the book include:

- Maritime interdiction of alien smuggling,
- Custody of stowaways aboard ship,
- Extraterritorial jurisdiction of U.S. immigration laws,
- Detecting containerized cargo intrusion by satellite,
- Security contingency planning,
- Ship and seaport security surveys vis-a-vis the IMO,
- Effects of maritime crime on society,
- Systematic risk analysis,
- Port security operations,
- Civil litigation avoidance by ship and port firms,
- Cargo theft data base for reducing vulnerability,
- Cargo theft methods of operation,
- Cooperative efforts in maritime security,
- Piracy,
- International cruise ship security,
- Legal framework for maritime security,
- Intelligence support to maritime security,
- Maritime terrorism.

*International Perspectives On Maritime Security* addresses comprehensively the issue of maritime security and its impact on the maritime industry. It provides a collection of papers about maritime security issues that present descriptive information, recommendations for solutions, and insight into defensive measures that can be taken. It serves as a tutorial document for the maritime industry and international trade community, their associated security professionals, government policy makers, and consultants and academics involved with maritime security.

COMMENT: The Federal/industry cooperative effort which produced *International Perspectives On Maritime Security* was chaired by Thomas Fitzhugh III, Executive Director of the Maritime Security Council. The U.S. Department of Transportation's cosponsorship was represented by the Secretary of Transportation's Office of Intelligence and Security, MARAD's Coordinator for Maritime Intelligence and Security, and the Port Security Branch of USCG's Office of Response Operations. Together, they formed the core of a steering committee which called for papers, reviewed, and selected them with the assistance of participants from industry and several Federal agencies and compiled the compendium for publication.

*International Perspectives On Maritime Security* has been produced entirely as a commercial publication at no cost to the U.S. Government. The book is available from the Maritime Security Council, 700 Louisiana Street, Suite 4600, Houston, Texas 77002-2732. Inquiries may be made by telephone to (713) 228-8642 and by fax to (713) 228-8645. The book is priced at \$15.00 per copy for orders of 10 or more.

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**PUBLICATION - First Inter-American Course On Port Security,  
Proceedings Of OAS/Port of Miami Course**

The Port of Miami has published the *First Inter-American Course on Port Security*. The publication is available to the commercial maritime industry and government free of charge. The publication is a compilation of transcribed proceedings from the training course by the same name which was conducted by the Port of Miami Security Division, in cooperation with the Organization of American States (OAS), during the period of October 21-November 10, 1995. The training course was cofunded by the OAS and the Port of Miami, and was conducted for the benefit of port officials from throughout Latin America.

Security topics covered in the published proceedings include:

- Development and Benefits of the Security Survey,
- Contingency Planning and Crisis Management,
- International Narcotics Investigations,
- Illicit Diversion of Chemicals,
- Cargo Theft Investigations,
- Criminal Intelligence Collection,
- Organized Crime At Seaports,
- Seaport Police/Security Corruption,

- Security Aspects of Seaport Labor Disputes,
- Stowaways and Port/Vessel Security,
- Piracy in Latin American Harbors,
- Explosives In the Maritime Environment,
- Technology Solutions For Seaport Security,
- IMO Guidelines for Seaports and Vessels,
- Prosecution of Major Cases At Seaports.

Contained within those topics are discussions on, for example: how to set up a seaport security program; the considerations pertaining to in-house security forces versus contract security services; the importance of ensuring active participation by security management when planning seaport operations; essential measures for controlling access to the seaport; patrolling port facilities; training procedures; and the elements of a successful safety program and its relationship to seaport security.

Internationally recognized experts in the maritime security field, from both the commercial sector and government, presented the course material. The training course and subsequent published proceedings cover a broad range of security, safety, and hazardous materials issues faced by maritime port security professionals. They are addressed from both administrative and operational perspectives. The content of material in the proceedings is focused toward practical application in a working environment as well as providing background on particular issues. Both are important to formulating solutions to problems.

**Background.** A resolution to develop the *First Inter-American Course on Port Security* and its proceedings was enacted in December 1994 at a meeting of the OAS Permanent Technical Committee on Ports (PTCP). The PTCP's Port Training Committee, chaired by John Pisani, Director of the U.S. Maritime Administration's Office of Ports and Domestic Shipping, led the effort to develop and organize the course. The Port of Miami's Security Division also worked with OAS officials regarding the planning, coordination, and financing of the course. To facilitate the training program, the Director of the Port of Miami, Carmen Lunetta, established the Maritime Security Institute for the Americas at the Port of Miami.

COMMENT: With the publication of the *First Inter-American Course on Port Security*, in both English and Spanish, the OAS and the Port of Miami have contributed to the enhancement of seaport security throughout the Caribbean Basin and Latin America. The publication will enable the ports of OAS member states to train and expand the knowledge of their port security staffs on the

issue of security at seaports. It fills a critical need for published information and practical advice for use by all the seaports of the Americas.

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**POLICY - MARAD/USCG Draft Maritime Port Security: A National Planning Guide To Assist Commercial Industry**

*Maritime Port Security: A National Planning Guide* is in the process of being produced by agencies of the U.S. Department of Transportation (DOT) for the purpose of conveying the United States Government's policy perspective on port security to the international maritime community. A draft document is under review by a team composed of participants from various Federal agencies and the commercial maritime industry. *Maritime Port Security: A National Planning Guide* is planned for publication and release as a DOT policy report to the commercial maritime industry in late 1996.

This planning guide provides an overview of the essential aspects of port security and identifies many of the challenges facing a port. It will also provide governments and the international commercial maritime industry with a common basis upon which to establish port security standards and the outcomes expected from meeting those standards.

This planning guide is intended to be the first document in a series to be produced through cooperative efforts of the U.S. Government and the commercial maritime industry. The guide and subsequent technical manuals are intended for use by port directors, the directors of port security, and the officers of port security departments in fulfilling their responsibilities toward the development of an effective port security program.

The subsequent technical manuals will be sufficiently detailed to serve as how-to manuals for planning and conducting the daily operations of port security. These manuals will include outcome based goals and measures of effectiveness. This can enhance the ability of port security managers to execute their risk management responsibilities and to document the impact and effectiveness of the security measures implemented at the port. These manuals are expected to address such topics as:

- Developing and Implementing A Security Plan,
- Security Surveys and Risk Assessment,
- Physical Security and Access Control,
- Information Security,
- Personnel Security,
- Maritime Terrorism,
- Drug Smuggling,
- Stowaways and Alien Smuggling,
- Harbor Piracy,
- Cargo Security and Hazardous Materials,

- Intelligence.

This guide and its subsequent technical manuals are intended to be dynamic and, therefore, flexible enough to be revised so that they may remain current and useful. The manuals will provide guidance and processes which can be selected, combined, and adopted to meet the unique needs of a given port. In this way, consistent port security objectives can be maintained, enabling government and the commercial maritime industry to achieve them regardless of changes in circumstances and technology.

COMMENT: *Maritime Port Security: A National Planning Guide* is being produced under the direction of the U.S. Secretary of Transportation's Office of Intelligence and Security (OIS). Coordination with other Federal agencies for release as a policy document is in process as well as review by the commercial industry for concurrence on its practicability. Production of the document is cochaired by the U.S. Maritime Administration (MARAD) and the U.S. Coast Guard (USCG). Contributions to the planning guide, its review, and concurrence on its contents are being made by members of the Project Team.

**Response to OAS Request For Assistance.** The Organization of American States' (OAS) Permanent Technical Committee On Ports, Port Training Committee, chaired by John Pisani of the United States, requested that the U.S. Maritime Administration (MARAD) produce a document on port security which could be made available for its IX Inter-American Port and Harbor Conference, held in Asuncion, Paraguay, September 23-27, 1996. This guide was developed, and was presented at the OAS conference by Mr. Pisani.

U.S. DOT's OIS, MARAD, and USCG, intend that this guide provide governments of OAS member countries and their commercial maritime industries with a common basis upon which to establish port security standards and the outcomes expected from meeting those standards. The guide made available to the OAS serves as the core document for the *Maritime Port Security: A National Planning Guide* currently under development. The application of this guide by the OAS provides an international basis for its use and may enhance the applicability of the national policy document to ports around the world.

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**ANTI-TERRORISM - U.S. Coast Guard Issues Passenger Vessel and Terminal Security Inspection Regulations**

ASecurity for Passenger Vessels and Passenger Terminals≅, Interim Rule, Title 33 CFR parts 120 and 128, U.S. Code, *Federal Register*, Vol. 61, No. 139, 18 Jul 1996.

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AMeasures To Prevent Unlawful Acts Against Passengers and Crews On Board Ships≅, Maritime Safety Committee Circular (MSC/Circ. 443), International Maritime Organization; 1986.

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*International Perspectives On Maritime Security*, Maritime Security Council, Houston, Texas; 1996.

**PUBLICATION - First Inter-American Course On Port Security,  
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*First Inter-American Course on Port Security*, [proceedings of the course conducted 21 Oct-10 Nov 1995, at the Maritime Security Institute of the Americas, Port of Miami], Port of Miami, 1996; compiled and edited by K.G. Hawkes and E.W. Martin.