

The world business organization



Prepared by the ICC Commission on

Transport and Logistics

ICC Call For Action on Piracy

The ICC Commission on Transport and Logistics deplores the increase in violence and the number of ships which are being taken by pirates today, and calls on governments to redouble international efforts to halt this criminal activity. According to ICC's International Maritime Bureau (IMB), at 18 May 2011, there were 26 vessels held by the pirates with over 522 hostages on board. Vessels continue to be hijacked further away from the Somali coast where attacks were not previously recorded. According to the IMB, there were 219 attacks in 2010 off Somalia, in which 49 vessels were hijacked and 1,016 crew members taken hostage. So far this year there have been 128 attacks, 21 vessels hijacked, 360 crew taken hostage and 7 crew killed. There is no sign, despite all the efforts taken by navies and their vessels that this problem is being brought under control.

There is an urgent need for continued robust action against the pirate skiffs and motherships at sea. In this respect, ICC strongly urges all countries which have navy vessels in the region to adopt the terms of UN Security Council Resolution 1950 and frame the Rules of Engagement to their naval commanders, which calls for the seizure and disposal of vessels, weapons and equipment used, or suspected of being used, for piracy.

The use of hijacked ocean going vessels as motherships by pirates in recent months has enabled attacks far beyond the Somali coast line, and amounts to an escalation of tactics used by the pirates. ICC fears this will lead to levels of hijacking of vessels in 2011, much higher than ever before.

In recent months, in the absence of sufficient naval support, more shipowners have had to hire private armed security to protect their seafarers and ships. The private sector is being forced to take action on its own with private security firms.

The piracy problem today is beyond that of only shipowners and seafarers. It is an issue that concerns global trade. The economic cost of piracy on the supply chain, which was estimated by the One Earth Foundation at the end of 2010 to be between US\$7 to US\$12 billion, is equally alarming. As the World Business Organization, ICC urges governments to recognize that piracy in addition to its effect on the safety of seafarers, has an important financial impact on global trade and shipping, and furthermore poses increased threat on the stability and security of energy supply lines not only for major industrial nations.

Shipowner and other trade associations representing industry from around the world have condemned these attacks and are pressing upon governments to take immediate action against piracy.

No matter what actions are taken at sea they will continue to be undermined, if simultaneously no development assistance is provided ashore in south central Somalia from where the pirates originate to build administrative and basic governance infrastructures there.

ICC calls on governments to immediately act to:

- a) Improve the Rules of Engagement given to naval vessels in the area, focus on locating, shadowing and disrupting the operation of motherships in order to reduce the operating scope of the pirates, and continue to support and increase the number of naval vessels and personnel on anti-piracy operations in the area
- b) Refocus the efforts of the United Nations and other international bodies to ensure that institutions which are required to maintain the economic, health and cultural/social standards of a country are built in south central Somalia to prevent that part of the country from being exploited by criminals and pirates
- c) Ensure that piracy suspects are swiftly brought to justice and not sent back to Somalia without being held accountable for their crimes

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The International Chamber of Commerce (ICC)

ICC is the world business organization, a representative body that speaks with authority on behalf of enterprises from all sectors in every part of the world.

The fundamental mission of ICC is to promote trade and investment across frontiers and help business corporations meet the challenges and opportunities of globalization. Its conviction that trade is a powerful force for peace and prosperity dates from the organization's origins early in the last century. The small group of far-sighted business leaders who founded ICC called themselves "the merchants of peace".

ICC has three main activities: rules-setting, dispute resolution and policy. Because its member companies and associations are themselves engaged in international business, ICC has unrivalled authority in making rules that govern the conduct of business across borders. Although these rules are voluntary, they are observed in countless thousands of transactions every day and have become part of the fabric of international trade.

ICC also provides essential services, foremost among them the ICC International Court of Arbitration, the world's leading arbitral institution. Another service is the World Chambers Federation, ICC's worldwide network of chambers of commerce, fostering interaction and exchange of chamber best practice.

Business leaders and experts drawn from the ICC membership establish the business stance on broad issues of trade and investment policy as well as on vital technical and sectoral subjects. These include financial services, information technologies, telecommunications, marketing ethics, the environment, transportation, competition law and intellectual property, among others.

ICC enjoys a close working relationship with the United Nations and other intergovernmental organizations, including the World Trade Organization, the G20 and the G8.

ICC was founded in 1919. Today it groups hundreds of thousands of member companies and associations from over 120 countries. National committees work with their members to address the concerns of business in their countries and convey to their governments the business views formulated by ICC.

The ICC International Maritime Bureau (IMB)

The IMB was set up in 1981 as a specialised division of ICC to look into crime in international shipping and trade. In 1991, the IMB set up the Piracy Reporting Centre (PRC) to receive contemporaneous reports of attacks. It is the only manned 24 hour Centre capable of processing reports of worldwide attacks. The PRC passes on this information promptly to law enforcement agencies in the affected countries for their response and broadcasts details of the attacks to all vessels worldwide. It is a key part of the piracy response.



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Policy and Business Practices

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