It is estimated that nearly 90,000 attacks take place on truck drivers and their vehicles each year on Europe’s highways, and cargo is stolen in nearly 57,000 of the cases. If these figures are accurate, this would mean that 156 successful cargo thefts are perpetrated per day within the EU. Based on our experience working with producers and distributors and their logistics partners, the following are some key areas to consider when trying to minimize cargo losses together with some practical suggestions.

Introduction

According to a 2011 study by the European Parliament the cargo theft situation remains serious throughout Europe, with the value of goods stolen by cargo thieves surpassing €8.2 billion ($10.6 billion USD) per year. An awareness of the most common techniques used by criminals and regular follow up of recommended preventive measures are essential key elements of an effective risk management program. These steps will help minimize cargo losses and consequent disruptions.

Similar industry reports and our analysis of claims data suggest that fragmentation and poor visibility along the supply chain increase the difficulty of providing the desirable level of security for goods in transit, even when these are valuable and obviously theft attractive.

Criminals in the meantime have been sharpening their techniques in their attempts to obtain cargoes illegally. From deceptions, such as duping drivers into delivering their cargo direct to the criminals (known as the ‘round the corner game’), to information gathering that allows collecting containers and trailers from terminals and depots bypassing security procedures. There are also several reports relating to bogus transport companies, targeting in particular freight exchange websites, taking delivery of valuable cargos and then the cargo disappears without a trace.
Discussion

Loaded trucks, trailers or containers parked in unsecured areas such as drop lots, lay bays, mall shopping center parking lots and on streets are the most common areas for cargo theft to occur. They provide an easy target for criminals, who often are well organized and sophisticated in the way that they operate.

It is estimated that two thirds of thefts from parking areas take place during weekends or public holidays, often by simply breaking in to the transport company facilities to obtain vehicle and storage area keys.

What may be defined as “secure parking” should be considered as a matter of risk assessment based on the nature/value of the cargo and other circumstances such as route and other security measures installed on the vehicle. For the shipper of valuable cargoes it is recommended that such generic wordings are avoided and the parking requirements are specified in writing.

Where possible, journeys should be scheduled so that intermediate stoppage is not necessary. Where it is necessary to leave loaded vehicles, either overnight or over a weekend, then the vehicle and load should be parked in a secure, guarded lorry park, with all anti-theft devices operating. Receipts for overnight parking should be required from drivers, a check of which will indicate if drivers are complying with instructions to use secure overnight parking.

Distribution centers and delivery sites should also have available lists of nearby HGV parking facilities where they could direct drivers who miss allocated time slots or for any other reason are unable to be unloaded as scheduled. It is a risky practice leaving this decision entirely to the driver personal judgment that may be tired after a long journey and unfamiliar with the area.

The ability of the cargo owners to have an influence or a real input on the way their assets are protected, in the course of transit, will depend on issues such as the nature of the contract with their carrier or freight forwarder and whether it is a long term service agreement or just a one-off shipment.

Limiting the number of carriers used will make it easier to insist on the implementation of security procedures. When possible transport companies and drivers should be made accountable by incorporating security instructions into the contact of carriage and/or by having them signed by the drivers.

Parking

Reduce the number of stoppages during the journey, where possible, and when overnight parking is necessary insist on secure, guarded lorry parks.

Possible elements to consider include:

- Are loaded vehicles ever left unattended overnight or over a weekend parked in a public space, lay-by, in the carrier’s own premises or some other depot/parking area?
- Is the parking area a dedicated area, fitted with adequate perimeter fencing and lighting?
- Is the parking area provided with adequate CCTV coverage?
- Is 24/7 manned security provided?
Implement a strict policy on key control – they should never be left with the vehicle and if they are to be kept on the premises, they should be in a secure cabinet with restricted access. All too often ease of access to vehicles keys and forklifts, within freight forwarders and haulage company’s premises, provides involuntary help to cargo thieves.

**Subcontracting**

The contractual carrier should be liable for losses which occur whilst the cargo is in the custody of unauthorized sub-contractors.

- Limit the numbers of carriers used; this will improve the opportunity to implement best practice and security arrangements across your supply chain.
- Have a robust selection process for partners and intermediaries; these companies have custody and control of goods once they leave your premises until they reach their destination.
- Consider allowing subcontracting to vetted subcontractors only. Consider incorporating provisions in the contract of carriage to ensure accountability in the event of losses while goods are in the custody of subcontractors.

**People**

- Review staff awareness and familiarity with security procedures (within the depot and on the vehicle) regularly.
- Encourage feedback from staff to develop jointly a security culture within your company.
- Provide security awareness training for employees and in particular for drivers involved in the transportation of valuable cargoes.
- Screen prospective employees. A formal written procedure should be in place for the vetting of personnel submitting all employees to 5 year employment history check as a minimum
- During peak demand is temporary staff employed? Are they subject to any vetting checks prior to engagement?
- Issue standing instructions to all employees setting out their responsibilities and the company’s policy for dealing with dishonesty, irresponsibility and negligence.

**Collection / deliveries**

- Implement procedures for the entry and exit (including collection) of loads. Clear written instructions should be given to carriers and drivers. Ensure that you have an auditable trail for this – a signed confirmation of receipt and comprehension of the instructions.
- Written instructions should be given to carriers and drivers only to deliver at the nominated address to a nominated individual within the consignee company. Instructions to drivers should be clear, should be committed to writing and the person giving them should require the carrier to pass them onto the driver and should seek confirmation, by way of a signed confirmation from the driver, that the driver has
received read and understood the instructions. If the delivery instructions are changed, written confirmation of the changes from senior staff at the delivery address or from the employer should be obtained. Upon delivery make sure that there is a clear signature and printed name on the POD (proof of delivery note).

- Unfamiliar drivers should have a copy of their driving license taken and a photograph, as much as compatible with local legislation.

- The identity of the driver, vehicle plate and motor vehicle registration certificate should be preferably notified before collection of the cargo.

Physical security

Physical deterrents such as locking systems, king pin locks, immobilizers and alarms should represent a barrier between the criminals and the cargo. They should be as close to tamper resistant as possible, time consuming and noisy to attack and open.

- Are the vehicles employed only hard sided or slash resistance (reinforced) curtain sided?

- Are the vehicles fitted with immobilizers and trailers with king pin locks.

- Are all doors to the cargo space secured with an approved (such as EU or British standards) locking mechanism?

- Is an alarm fitted on the tractor and trailer?

- Is there a mechanical locking bar bolted and fixed to the vehicle

- Are drivers fully familiar with the location of all security devices on the vehicle and trained in their use?

Cargo tracking

- Implement robust procedures for the monitoring and recovery of high-value cargoes, as the most sophisticated technologies may prove ineffective if any attempted theft is not adequately flagged and a response deployed in a timely way.

- Criminals are more aware of tracking systems and tend to disassociate themselves from the target vehicle immediately after the theft. Utilize up-to-date technology, shipment tracking, vehicle immobilization and high-technology seals, remote tamper alarms and other active monitoring systems to make the theft as difficult and noticeable as possible.

- Unique serial numbers and barcodes on packaging and equipment may assist in tracing and identifying recovered stolen goods.

Points to consider:

- Are all vehicles fitted with a GPS or GSM tracking system?

- Are deviations from route reported accurately and in a timely fashion to a remote control station and are procedures for taking remedial action in place?
• For high value loads are tracking devices fitted in the cargo compartment or within the pallet and constantly monitored so that any deviation from the planned journey would be immediately reported?

• Is the cab of the vehicle fitted with panic button?

Conclusion

Secure carrier facilities, where fenced areas with locked gates and surveillance equipment are in place, will deter the opportunistic thief, but organized criminal outfits will not be stopped by these measures alone.

Professional criminals and opportunists alike will continue to target cargo, but solid risk management procedures can reduce the chance of being a victim of this type of crime.

We recommend adopting a multilayer approach, looking at all areas of the supply chain and addressing its potential vulnerable elements.
References

The following are links to some of the organizations providing information on secured lorry parks in Europe to assist the transport companies in planning their routes and journey accordingly:

- http://www.setpos.eu
- http://www.rha.uk.net/
- http://www.fta.co.uk
- http://www.tisdgdv.de/tis_e/bedingungen/parken/lpp.htm
- http://www.ania.it/
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