



IIS Asia Report

Q2 - 2014



Q2 - 2014 Report

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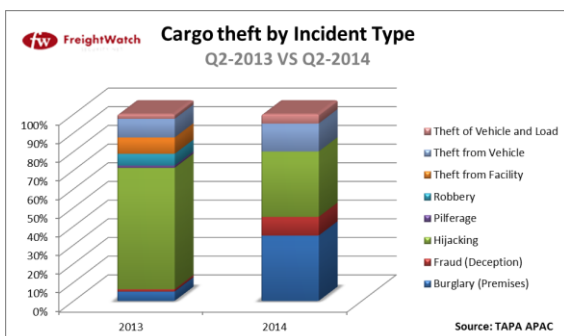
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Summary

The TAPA Asia Incident Information System (IIS) report provides an analysis of cargo theft data recorded in the IIS for 2014.

A total of 20 theft incidents were recorded in the Asia IIS system for the second quarter of 2014 (Q2-14).

Seven countries in the Asia region recorded incidents for Q2-14, the same number as for Q2-13. The number of recorded incidents dropped 75% in the latest quarter as compared with the same period of 2013. Of the countries reporting thefts, only Malaysia and Vietnam experienced an increase from 2013 to 2014. The 75% drop can largely be attributed to irregular reporting in Hong Kong and Bangladesh.

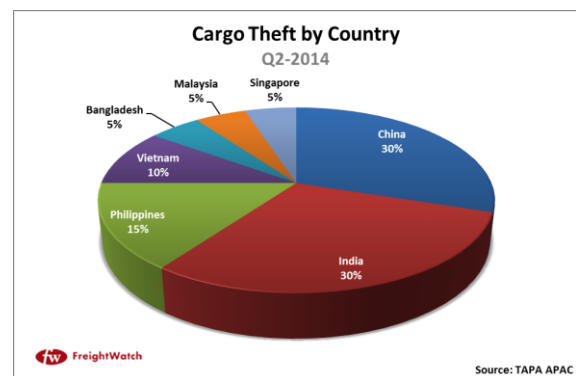


The overall loss value reported for the latest quarter was \$3.01 million USD. This is substantially lower than the region's \$7.47 million USD loss value in Q2-13.

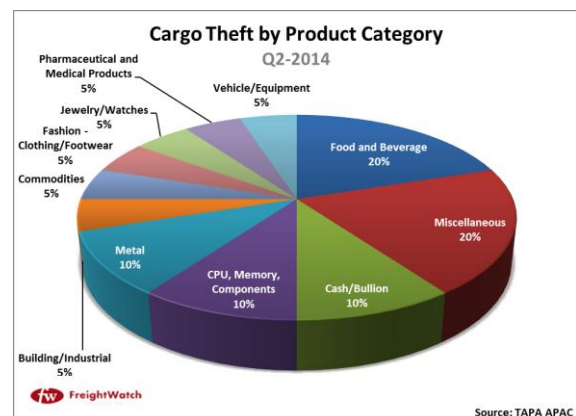
Note: Trucks thefts without associated cargo loss are not included in this analysis to facilitate an accurate view of cargo crime incidents.

IIS Update

India, China and the Philippines recorded the greatest number of cargo theft incidents for Q2-14, although Bangladesh, Malaysia, Singapore and Vietnam also reported thefts. The Hong Kong Police Department has not yet released its first half report on cargo crime; therefore data from the region is not included in this report.



Four *Food and Beverage* thefts were reported in Asia during Q2-14, making this product type the most frequently targeted. Three product categories *Cash/Bullion*, *CPU, Memory, Components* and *Metal* sectors each reported two cargo thefts in Q2-14; four incidents of *Miscellaneous* cargo theft were also reported. By comparison, Q2-13 saw *Clothing/Footwear* and *Metals* as the primary targets of cargo theft for that quarter, primarily attributed to some specialized data reported out of Bangladesh.



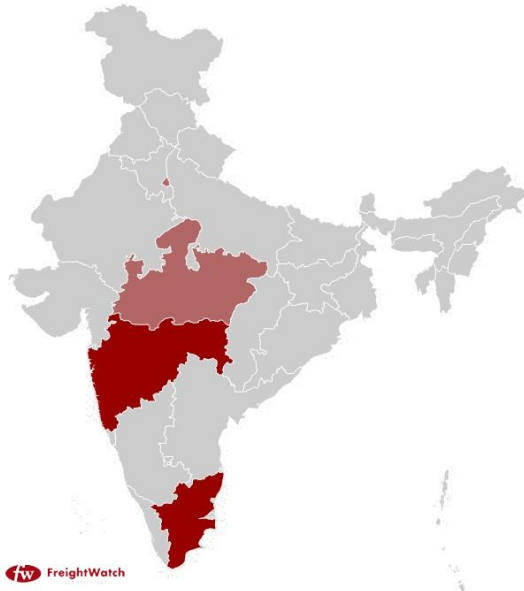
Of the reported incidents for Q2-14, Violent/Threat of Violence was the most commonly reported *modus operandi* (M.O.), comprising 30% of the total. This was followed by Intrusion, an M.O. that includes burglaries and cov-

ert thefts, at 28% of all reported incidents. Q2-14 also saw incidents of *Driver theft*, *Theft by warehouse/logistics employees*, and one case of a *Deceptive stop by fake police*.

Note: The drop in the number of incidents from 2013 to 2014 is attributed more to inconsistencies in reporting than to actual cargo theft trends.

Map of Incidents

India, China and The Philippines were the three countries with the highest numbers of reported cargo thefts recorded for Q2-14.



India recorded six incidents in the Q2 IIS for 2014. This is a sharp decrease in reporting over the 17 incidents recorded for same period of last year. In Q2-14, the majority of thefts in India were split between the states of Maharashtra and Tamil Nadu. The Madhya Pradesh and the National Capital region of Delhi each reported one cargo theft in the quarter.

Cargo thefts in India consisted of *Cash/Bullion*, *Commodities*, *Jewelry/Watches*, and *Miscellaneous goods*. *Hijackings* were the most commonly reported incident type in India with 50% of reported incidents, followed by *Burglary (Premises)* with 33%, and *Theft from Vehicle* with 17% of reported incidents in Q2-14.

China recorded six incidents in the Q2 IIS for 2014. This is a 50% drop from last year, when

China had 12 incidents recorded in the Q2-13 IIS. The provinces of Guangdong and Hunan each reported two incidents of cargo theft, while Beijing, Liaoning and Shandong provinces each reported one theft.



Of the incidents reported, *Metal* was the most commonly reported stolen product type in Q2-14. Other product types reported stolen included *Food and Beverage*, *Pharmaceutical*, and *Vehicle/Equipment* as well as *Miscellaneous* cargos. The types of incidents reported in China were split evenly between *Burglary (Premises)*, *Fraud (Deception)*, and *Theft from Vehicle*.

Reported thefts in China were split between incidents involving the *Intrusion* MO in which thieves covertly broke into a facility to steal the cargo, and MOs involving theft from within companies such as *driver theft*, *internal employee theft*, and *pilferage*.

 FreightWatch



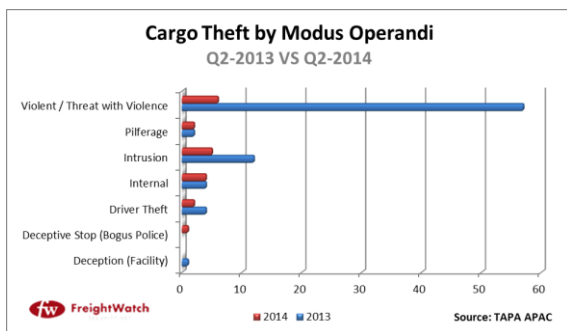
Philippines reported three cargo thefts in the IIS for Q2-14, a slight drop from the four incidents reported in Q2-13. All three reported incidents were *Hijacking* incidents, with two involving criminals posing as law enforcement using the *Deceptive stop* MO while one involved the *Violent/Threat of violence* MO to seize the vehicle.

Two-out-of-three of the reported incidents of cargo theft in Q2-14 were *Food and Beverage* cargo thefts while the third was a theft of *CPU, Memory, and Components* cargo.

Analysis Q2 2013-2014

The number of incidents recorded in the IIS decreased from 80 in Q2-13 to 20 in the second quarter 2014. This drop is largely the result of irregular reporting than of improving security conditions.

In Q2-14 thieves most often stole *Food and Beverage* products, followed by products in the *Miscellaneous, Cash/Bullion, CPU, Memory, Components, and Metal* sectors. Comparably, in Q2-13 *Clothing and Footwear* and *Metals* were the two most frequently targeted product types in Asia. These were followed by *Food and Beverage* products, *CPU, Memory, Components, and Mobile Phone/Smart Phone*.

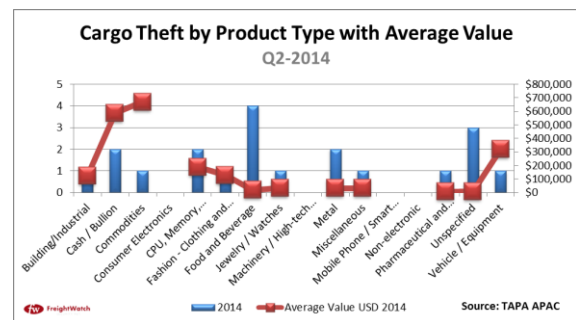


Key Trends:

- Reported *Hijackings* dropped drastically from Q2-13, contributing to the overall decrease in the theft rate for Asia. The substantial number of *Hijackings* reported last year came largely from an end-of-2013 report out of Bangladesh, while this year's drop in incidents can be attributed to the lack of such a report to date.
- A trend that continues to hold is that *Hijacking* and *Burglary (Premises)* were the two most common MOs in Q2-14 at 70% of reported incidents. Despite the irregularity of reporting in the region, these two MOs continue to be the most prevalent.

Q2 - 2014 Analysis

Asia continues to experience inconsistent and irregular incident reporting, which results in artificially low numbers of reported incidents. However available data indicates a continued trend of facility burglaries and vehicle hijackings in India, Malaysia, Bangladesh and the Philippines. Meanwhile China and Singapore have reported incidents of *Fraud, Burglary (Premises), and Theft of Vehicle and Load* incidents.



Of the Asian countries reporting theft incidents, recorded incidents with loss values of more than US \$10,000 increased from 36% of the total in Q2-13 to 75% in Q2-14. The overall average loss value decreased from \$213,440 in Q2-13 to \$158,765 in Q2-14, a 26% difference.

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