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## *Recent BIR World Recycling Convention & Exhibition in Rome (30 May – 1 June 2012)*

### *International Trade Council*

#### **Chilling theft and fraud warnings at ITC meeting**

**Brussels, 7 June 2012**

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Every document used in the shipping process can be forged “with ease” - and there is “no exception to this”, a well-attended BIR International Trade Council meeting in Rome was warned by Pottengal Mukundan, Senior Director of the International Maritime Bureau (IMB), a department of the International Chamber of Commerce which specialises in fighting crime relating to maritime trade and transportation.

The speaker also described as “rubbish” the widely-held belief that it is impossible to open a container without breaking the seal. Having underlined the importance of remaining alert to news of any frauds/thefts and of communicating such information to employees “on the front line”, he insisted: “There is no substitute for robust due diligence.” An overt approach is essential, he said, because criminals will tend to prey on the “soft target”.

A video showing exactly how a container can be opened without breaking the seal was then shown by Bashar Ehsan, Director (Operations) for the Ala Metals LLC international scrap trading company based in the United Arab Emirates. His advice was to “fix the seal on the bottom of the container called the Cam keeper whenever possible” and to avoid fixing it on the hub bolts. Fellow guest speaker Marc Beerlandt, CEO of privately-owned container shipping line MSC Belgium, said “100% security is not possible” but urged the recycling industry to keep abreast of latest anti-theft technology such as e-seal container security devices.

In a shift of topic from theft to fraud, Gert-Jan van der Have - formerly Deputy Editor of Recycling International magazine and currently Project Consultant at ARN Advisory in the Netherlands - outlined a scam he had uncovered last year in which a number of companies in Asia had been defrauded of at least US\$ 10m in total by swindlers posing as sellers who used fake documents and fabricated information on a website.

Mr Van der Have described the victims as “the weakest link” in this chain because they relied on internet-based resources to verify the sellers’ credentials and reputation. “When a trader is dealing for the first time with someone, he should know the person face to face,” he contended. “And when negotiating using a Letter of Credit, you should carefully read the conditions.”

In pointing out that BIR has become an active member of the IMB, ITC Chairman Robert Voss of UK-based Voss International described some of the case studies and information provided by the guest speakers as “frightening” and “eye-opening”. He added that the world recycling organisation had received some “extremely interesting” responses to its recent survey on fraud and theft, and that members should continue to send in information to assist BIR in the fight against this scourge.

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