Overall cost of Somali piracy is down around 50% from 2012.

Attacks carried out by Somalia-based pirates continued multi-year decline; only 23 vessels were attacked. However, regional seafarers still at high risk.

The international community spent an estimated $139.1 million to deter each attack that took place in 2013.

Despite significant progress in the fight against Somali piracy, the remaining 54 hostages have been held for an average of almost 3 years.

**ECONOMIC COST HIGHLIGHTS**

**Total Economic Cost of Somali Piracy in 2013**

- **$3 - 3.2 Billion**

**COST OF SOMALI PIRACY REDUCED BY AROUND 50% SINCE 2012**

**Counter-Piracy Organizations**

$45 Million (1%)

**Insurance**

$186 Million (6%)

**Military Operations**

$999 Million (32%)

**Increased Speeds**

$276 Million (9%)

**Security Equipment & Guards**

$1 - 1.2 Billion (37%)

**LAbor**

$462 Million (15%)

**RANSOMS**

$1 - 1.2 Billion

**PROSECUTIONS & IMPRISONMENTS**

$12 Million (Less than 1%)

**INSURANCE (includes ransoms)**

$186 Million (6%)

**SECURITY EQUIPMENT & GUARDS**

$45 Million (1%)

**RE-ROUTING**

$276 Million (9%)

**LAbor**

$462 Million (15%)

**MILITARY OPERATIONS**

$999 Million (32%)

**Increased Speeds**

$276 Million (9%)

**Security Equipment & Guards**

$1 - 1.2 Billion (37%)

**LAbor**

$462 Million (15%)

**2012 TO 2013 COST COMPARISON**

- **COUNTER-PIRACY ORGANIZATIONS**
  - UP 86% (21 Million)

- **PROSECUTIONS & IMPRISONMENTS**
  - DOWN 18% (2.7 Million)

- **LABOR**
  - DOWN 2% (9.5 Million)

- **RANSOMS**
  - DOWN 32% (10 Million)

- **MILITARY OPERATIONS**
  - DOWN 8% (91 Million)

- **RE-ROUTING**
  - DOWN 100% (291 Million)

- **INSURANCE (includes ransoms)**
  - DOWN 68% (397 Million)

- **SECURITY EQUIPMENT & GUARDS**
  - DOWN 38% (635 Million)

- **INCREASED SPEEDS**
  - DOWN 76% (1.16 Billion)

**LONG-TERM SUSTAINABILITY**

Experts have stressed that the long-term sustainability of counter-piracy initiatives should be prioritized. While investments in capacity-building initiatives increased, they still only account for 1.5% of the total cost.

**Reduction in the Total Economic Cost of Somali Piracy 2011 - 2013 (in billions)**

- **$6.6 - $6.9 Billion** for 2011
- **$5.7 - $6.1 Billion** for 2012
- **$3 - 3.2 Billion** for 2013

**HUMAN COST HIGHLIGHTS**

**Work Remains to Reach Goal of Zero Attacks/Zero Hostages**

- 486 Seafarers
- Attacked by Somali Pirates with Firearms in 2013
- 60 Seafarers on (non-commercial) Vessels Boarded by Somali Pirates
- 60 Seafarers Taken Hostage in 2013
- 117 Hostages Remaining from 2010-2012
- 117 Hostages Remaining from non-fishing & commercial vessels
- 54 Total Hostages Remaining

As of May 1, 2014, Held for Average Duration of: 1,016 DAYS

*Up to $43.2 million in ransoms & related costs assumed to be reimbursed by insurance; therefore not included separately*
WEST AFRICA - KEY FINDINGS

- OBP estimates 100 total piracy attacks in 2013
- The study indicates a shift in 2013 towards more kidnap for ransom attempts and a slight decline in oil theft attacks.
- West African piracy is more closely linked, and harder to differentiate, from other types of maritime crime and criminal activity ashore than Somali-based piracy.
- Piracy reporting and information sharing is largely uncoordinated in the Gulf of Guinea, which could hide the true magnitude of the crimes.

WEST AFRICA - HUMAN COST HIGHLIGHTS

- Attacks in West Africa in 2013 were much more frequent than those by Somali pirates.
- Attacks in the Gulf of Guinea are more violent than attacks in East Africa.
- Longer term affects on seafarers subjected to violence is hard to determine based on a lack of reporting and assessment.

3 MAIN PIRACY MODELS

1. ROBBERY
   - Vessel is boarded by pirates with intent to steal ship stores, equipment and crew's personal effects.

2. KIDNAP & RANSOM
   - Vessel is hijacked & crew held hostage (often brought ashore) while pirates negotiate ransom payment in exchange for the crew's release.

3. OIL THEFT
   - Vessel is hijacked & crew detained while pirates coordinate the transfer of oil to either another vessel or a storage facility on land.

ECONOMIC COST HIGHLIGHTS

- Ransom costs are suspected to be higher, but lack of reporting precludes full accounting of ransom and recovery costs.
- Military Operational costs indicate regional Navy expenditures – international navies are not organized for continuous deterrence and response operations in the Gulf of Guinea.
- Private security costs are predominately associated with regionally contracted teams from West African nations.

Total Economic Cost of West African Piracy in 2013

$565 - 681 million

OBP acknowledges that the West Africa piracy attack data in this report varies from those reported by other agencies in 2013. OBP compiled data from multiple reporting centres, including locally-based sources in an effort to develop a more comprehensive data set.