MAST



Brazil-Europe Maritime Narcotics Risk

Operational, Security and Legal Lessons for Shipowners

ANONYMISED BRIEFING CASE STUDY

Prepared for briefing use with shipowners and the Dutch shipowners association

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Contents

PURPOSE OF THIS CASE STUDY 3

EXECUTIVE SUMMARY 4

BACKGROUND: WHY BRAZIL-EUROPE ROUTES REQUIRE SPECIAL ATTENTION 5

CASE NARRATIVE 6

KEY PROBLEMS IDENTIFIED 7

PRACTICAL CONSEQUENCES FOR SHIPOWNERS 9

RECOMMENDED CONTROL MEASURES 10

LESSONS FOR SHIPOWNERS AND ASSOCIATIONS 12

DISCUSSION QUESTIONS FOR BRIEFING SESSIONS 13

ANNEX A: ORGANISED CRIMINAL NETWORKS, MARITIME SMUGGLING METHODS AND CASE EXAMPLES 14

ANNEX B: LEGAL COMPLEXITY FOR SHIPOWNERS - REPORTING SUSPECTED MARITIME DRUG TRAFFICKING 20

SOURCES CONSULTED 27

PUBLICATION CAVEAT

This document is an anonymised briefing case study. It is not legal advice. Specific reporting, criminal, contractual, insurance and regulatory obligations must be assessed by qualified counsel in the relevant jurisdictions.

Purpose of this case study

This case study is designed for shipowners, operators, company security officers, designated persons ashore, fleet managers, P&I interests, and maritime trade associations. It illustrates the practical, legal, operational and reputational problems that can arise when ships trade from Brazil to Europe in an environment where organised criminal groups actively seek to exploit vessels, crew, port infrastructure and commercial pressure points.

The case is based on a real operational scenario involving a European-managed vessel trading from southern Brazil to Europe. Names of companies, vessels, individuals and service providers have been removed. The allegations described should be treated as allegations unless and until verified by competent investigation or lawful authority.

Executive summary

A European shipowner received specific whistleblower information alleging that one of its vessels, and potentially a sister vessel, had been used to move a significant quantity of cocaine from Brazil to Europe. The alleged method involved the drugs being brought to the vessel while it was at anchorage, hidden onboard, and later jettisoned overboard close to North Africa or the Gibraltar Strait using a GPS tracker to enable recovery.

The information was serious because it suggested possible insider facilitation by senior crew, raised questions about the adequacy of company security controls, and exposed the owner to potential criminal, regulatory, insurance, charterparty and reputational consequences.

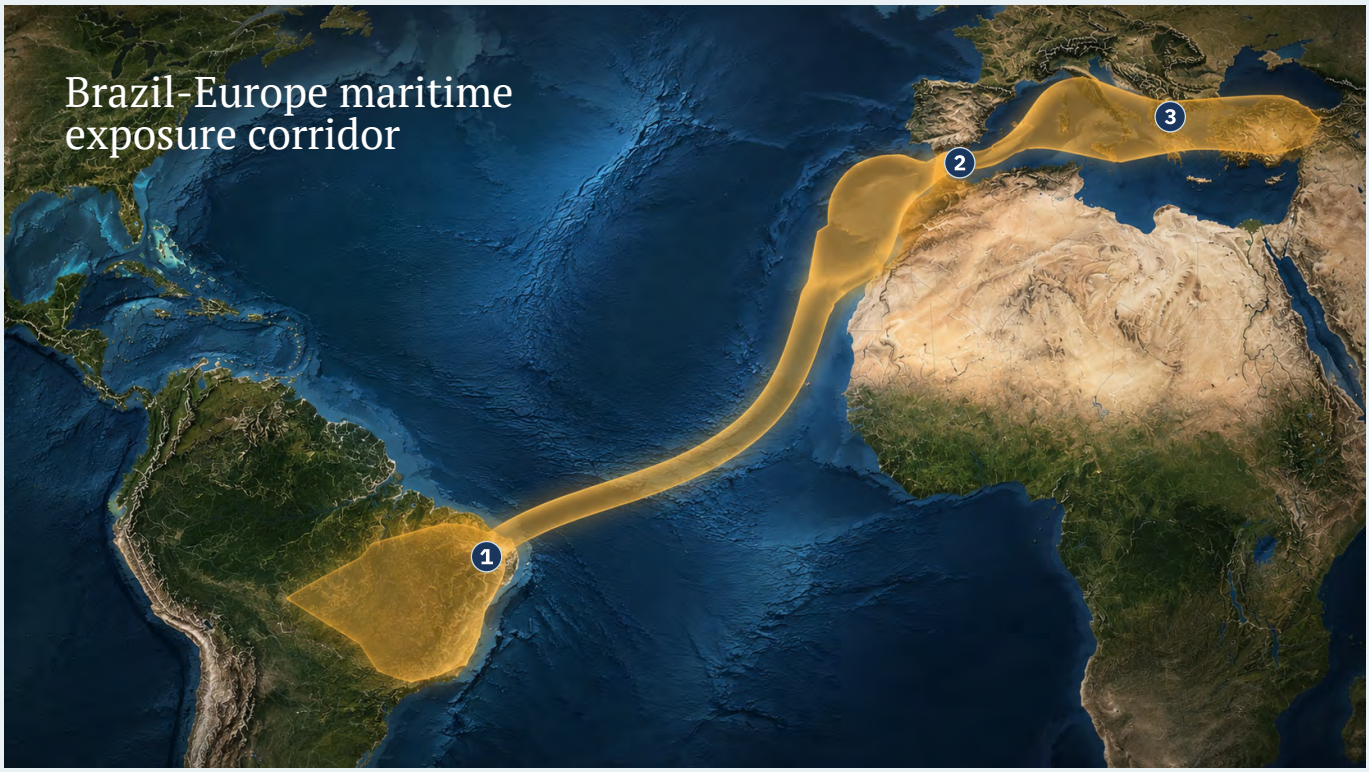
The company moved quickly at executive level and deployed a security consultant and follow-on team to Brazil. However, the operational response revealed several weaknesses: incomplete local port knowledge, late resistance to the agreed security plan, unclear communication with the agent and vessel, failure to board at anchorage, uncertainty over the reliability of local intermediaries, and inadequate control of information relating to the security team's movements.

The result was that the company lost the opportunity to achieve its primary objective: boarding the vessel at anchorage before any suspected illicit cargo could be embarked. Once that opportunity was lost, the owner had to assume that contamination or compromise may already have occurred and that a more intrusive investigation, search and legal response would be required.

CORE LESSON

The most damaging position for an owner is not simply that drugs were found. It is being unable to demonstrate that the company had a serious, documented, timely and competent response once credible information became known.

Background: why Brazil-Europe routes require special attention



1 **SOUTHERN BRAZIL / RIO GRANDE**
Potential loading or anchorage exposure

2 **NORTH AFRICA / GIBRALTAR**
Potential jettison and recovery zone

3 **EUROPE**
Destination / inspection and enforcement exposure

Brazil is a major maritime gateway for legitimate exports, but ports in Brazil are also used by organised criminal groups seeking to move cocaine to Europe and West Africa. Southern Brazil, including the Rio Grande area, has featured in law-enforcement investigations into maritime drug trafficking.

In one Brazilian Federal Police operation described in the supporting briefing material, criminal networks were investigated for using Rio Grande as a departure point for cocaine shipments destined for Europe. The method reportedly involved small boats approaching vessels at night and divers attaching drugs to underwater areas of the hull, including sea chests and other external structures. This method is often described as a “parasite” technique because the drugs are attached to the vessel without necessarily requiring the knowledge of the shipowner.

This creates a dual risk for shipowners. In some cases, the vessel may be contaminated externally without crew involvement. In other cases, criminal groups may seek assistance from crew, agents, port workers, contractors, guards, launch boat operators or other local intermediaries. A prudent owner must therefore treat the risk as both an external security threat and a potential insider-threat problem.

Case narrative

The incident began with a whistleblower report from a crew member. The information was unusually specific. It referred to the alleged quantity of drugs, the alleged boarding point, the alleged concealment location onboard, and the alleged recovery method after departure from Brazil. The whistleblower also alleged involvement by the master and certain crew members.

The owner's executive team recognised the seriousness of the allegation. The immediate operational objective was to disrupt any opportunity to embark illicit cargo and to send a clear message to the vessel, crew, local support network and wider fleet that the company was increasing its security posture.

A plan was developed to place a security team onboard. The intended approach was to meet the vessel at anchorage, board early, begin security oversight, and then sail with the vessel to the next port while conducting security enhancement, training, watches, drills and search activity.

The plan depended on several critical assumptions: that the local agent could arrange access; that the port's boarding rules were understood; that the master and crew would receive clear messaging; that company operations would support the executive decision; and that the security team would be treated as acting with the full authority of the owner.

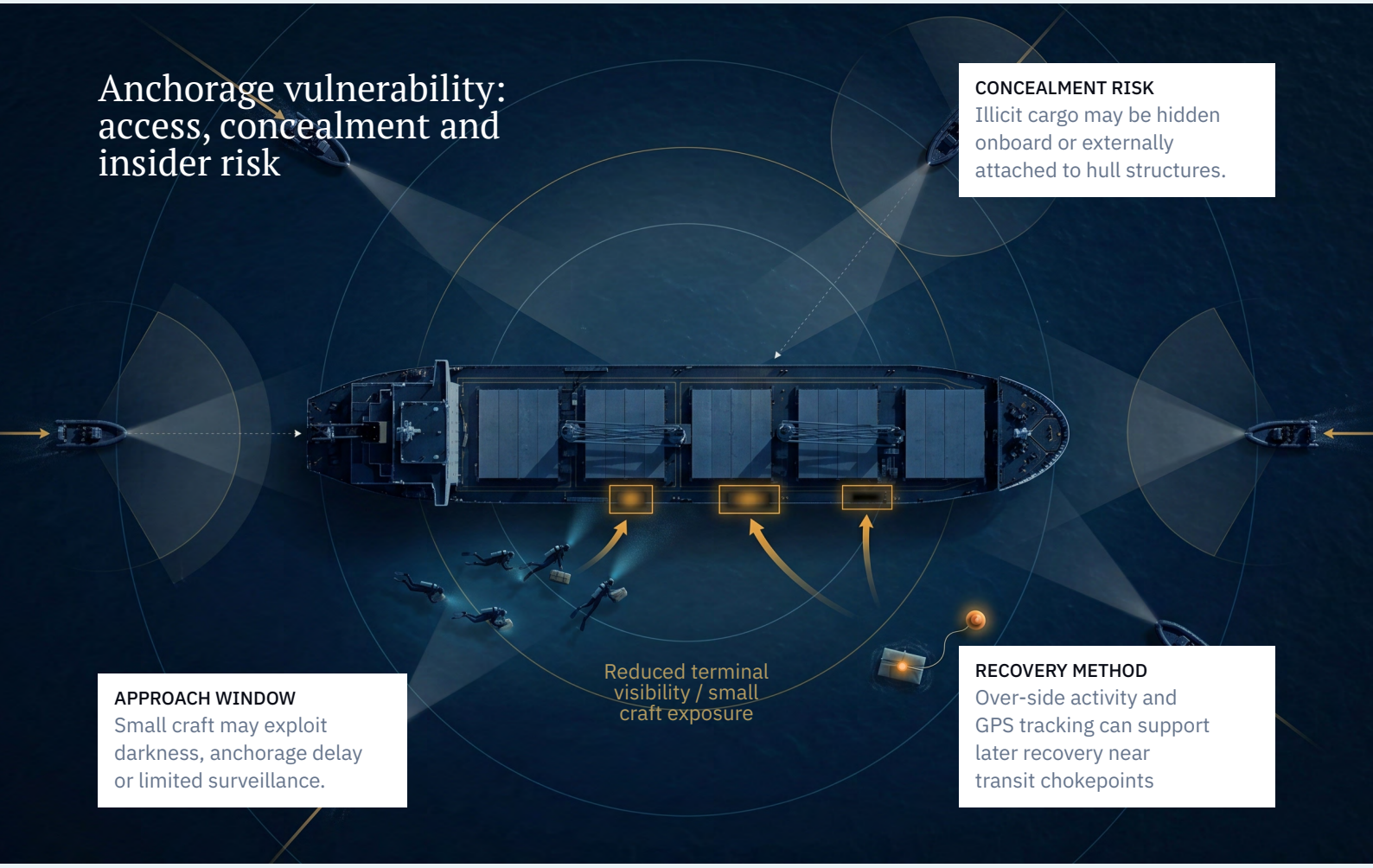
In practice, these assumptions broke down. There was late resistance to the agreed number of security personnel, apparently linked to operational constraints, safety equipment, charterer or cargo-owner requirements, and the need to sign off crew. There was also confusion in messaging to the vessel about how many consultants would board and how many would sail. This created avoidable friction at the point where decisive implementation was required.

On arrival in Brazil, the security consultant had to engage with the local agent without full clarity on how the port operated. The agent resisted the request for anchorage boarding and also resisted arrangements for a berth or port-facility-security-style visit. The consultant had to seek third-party confirmation from other local contacts as to whether the explanations being given were genuine. By the time the port-specific constraints were understood, the primary tactical objective had already been compromised.

The case also raised personal security concerns. Criminal groups involved in maritime cocaine trafficking are capable of intimidation and violence. Local representatives reportedly warned that Brazilian companies involved in ship searches had previously received anonymous calls telling them not to get involved. Against that background, poor control of the security team's travel and accommodation details created unnecessary exposure.

The security team ultimately had to proceed on the basis that the vessel may have been exposed during the period when it could not be boarded. The company was then left facing a more difficult set of questions: had anything been placed onboard; had any crew been involved; had the agent or other local actors acted improperly; should the information be reported to authorities; and what steps would demonstrate that the owner had acted responsibly?

Key problems identified



Anchorage vulnerability: access, concealment and insider risk.

THE ANCHORAGE IS A CRITICAL VULNERABILITY

The anchorage can be the point at which a vessel is most exposed. It may be outside the normal visibility and control of the terminal, and small craft may be able to approach the vessel. If the security plan depends on boarding before or at anchorage, local feasibility must be confirmed before the team deploys. In this case, failure to board at anchorage meant the company lost the chance to disrupt the alleged loading window.

LOCAL PORT KNOWLEDGE MUST BE VERIFIED BEFORE DEPLOYMENT

The owner's team should know in advance whether boarding is permitted at anchorage, who can authorise it, whether outer-road arrangements are possible, what launch services are available, and whether the port facility security officer, harbour master, police or navy need to be engaged. Where this is not known before departure, the operation becomes reactive and vulnerable to delay, confusion and manipulation.

AGENTS AND LOCAL INTERMEDIARIES ARE BOTH NECESSARY AND A RISK

Shipowners depend heavily on local agents. However, where a vessel is facing a counter-narcotics risk, the agent cannot automatically be treated as a neutral party. The agent may be entirely innocent, but may also be pressured, compromised, commercially conflicted, or simply unwilling to support a sensitive operation.

COMMERCIAL AND OPERATIONAL CONSIDERATIONS CAN DILUTE THE RESPONSE

Drug-trafficking exposure is not a routine operational inconvenience. It can threaten the liberty of crew, detention of the ship, seizure of cargo, criminal investigation of the company, loss of reputation, insurance complications and future trading access.

COMMUNICATION FAILURES CREATE OPERATIONAL RISK

The master, agent, technical manager, chartering team, crewing team and deployed security personnel must all receive consistent instructions. Ambiguity over who is boarding, why they are boarding, whether they are authorised by the owner, and what support is required can defeat the operation before it begins.

INSIDER THREAT MUST BE TAKEN SERIOUSLY

Where information specifically alleges involvement by master or crew, the matter cannot be treated purely as an external stowage risk. The response must consider whether shipboard personnel, shore managers, crewing agents or third parties had active involvement or passive knowledge.

THE LEGAL REPORTING THRESHOLD IS DIFFICULT BUT CANNOT BE IGNORED

When information is vague, companies may be able to conduct preliminary checks before reporting. When information is specific, identifies a route, method, quantity, location and possible crew involvement, the balance may move toward notification or at least urgent legal assessment.

PERSONAL SECURITY OF INVESTIGATORS MATTERS

Counter-narcotics interventions can expose consultants, crew and company representatives to intimidation. Hotel locations, transport arrangements, movements and identities should be need-to-know.

Practical consequences for shipowners

A BRAZIL-EUROPE NARCOTICS INCIDENT CAN CREATE CONSEQUENCES FAR BEYOND THE DISCOVERY OF DRUGS. POTENTIAL IMPACTS INCLUDE:

- vessel detention and extended off-hire
- crew arrest or questioning
- criminal investigation of the owner or manager
- loss of charterer confidence
- P&I and hull insurance complications
- port-state and flag-state scrutiny
- contamination of sister vessels or fleet reputation
- media exposure
- commercial pressure from cargo interests
- breakdown of trust between owner, manager, crew and agents
- future restrictions when calling at European ports



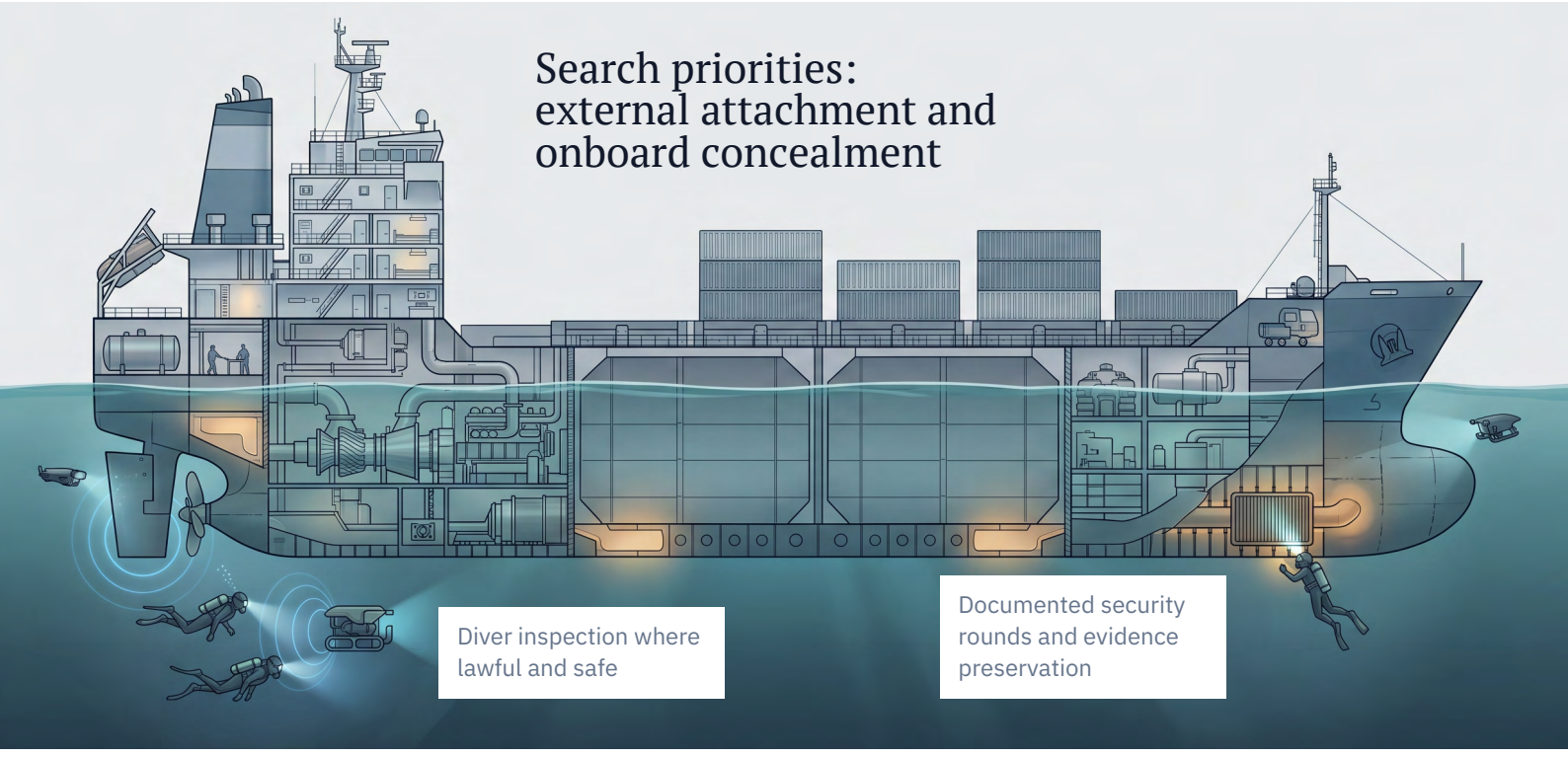
Recommended control measures

BEFORE CALLING AT HIGH-RISK BRAZILIAN PORTS

Owners should conduct route-specific counter-narcotics risk assessments for Brazil-Europe voyages. These should include port-specific boarding rules, anchorage risks, known smuggling methods, local agent due diligence, launch availability, emergency contacts and escalation routes to port, police, navy, P&I and flag state. The company should identify in advance who has authority to override commercial objections when credible narcotics intelligence is received.

BEFORE ARRIVAL

The company should issue clear written instructions to the master, agent and relevant shore teams. The instructions should state the purpose of any security boarding, the authority of the team, the expected cooperation, and the requirement to preserve confidentiality. Where the risk is acute, the owner should consider adjusting speed or arrival time to minimise anchorage exposure, arranging independent launch capability, or escalating early to port-state authorities.



Search priorities: underwater attachment points, void spaces and evidence preservation.

ONBOARD

The vessel should implement enhanced access control, deck patrols, lighting, gangway discipline, small-boat watch, restricted access to void spaces, cofferdams, stores, sea chests and other concealment areas, and documented security rounds. Searches should be methodical, recorded and, where possible, supported by engineering staff. External hull and sea-chest risk should be considered, including diver inspection where lawful and safe.

IF WHISTLEBLOWER INFORMATION IS RECEIVED

The company should preserve the original report, record who has seen it, involve legal counsel, assess credibility, protect the whistleblower, avoid unnecessary disclosure to potential suspects, and consider independent interviews. Evidence preservation may include voyage data, CCTV, access logs, gangway records, crew communications, watch records, engine-room access, launch attendance, agent messages and relevant commercial instructions.

AFTER DEPARTURE FROM BRAZIL

The company should consider enhanced monitoring during the voyage, particularly near known recovery zones such as approaches to North Africa, the Canary Islands, Iberia and the Gibraltar Strait. Any suspicious over-side activity, unexplained stoppage, small-craft approach, AIS irregularity or crew behaviour should be escalated. On arrival in Europe, the owner should be prepared for inspection and should be able to present a clear record of measures taken.



Lessons for shipowners and associations

This case demonstrates that the main risk is not only the criminal gang. It is the combination of criminal opportunity, weak local knowledge, inconsistent management support, over-reliance on agents, commercial pressure, and poor execution under time pressure.

For shipowners, the lesson is clear: counter-narcotics response must be planned before the incident, not improvised during the port call.

For an association-level audience, the case supports the need for shared guidance on Brazil-Europe narcotics risk, including port-specific intelligence, minimum response standards, legal escalation pathways, crew protection, agent due diligence and practical shipboard countermeasures.

Discussion questions for briefing sessions

1. Would your company know who has authority to override commercial instructions if credible narcotics intelligence is received?
2. Do your Brazil port-call plans identify whether anchorage boarding is possible and who can authorise it?
3. Are your agents subject to enhanced due diligence in high-risk ports?
4. Could your company place an independent security team onboard at short notice without operational confusion?
5. Does your ship security plan address insider threat, not just external intrusion?
6. What evidence would you preserve if a whistleblower alleged crew involvement?
7. At what point would you notify flag state, P&I, charterers or law enforcement?
8. How would you protect the personal security of investigators, crew and whistleblowers?

CORE MESSAGE

Brazil-Europe trades remain commercially important, but they carry a real and evolving counter-narcotics threat. The threat can involve external attachment to the hull, concealment onboard, insider facilitation, or a combination of all three. Shipowners should assume that organised criminal groups understand port routines, vessel vulnerabilities, commercial pressures and corporate reluctance to disrupt operations.

Annex A: Organised criminal networks, maritime smuggling methods and case examples

A1. Purpose of this annex

This annex provides additional background for shipowners, operators and maritime associations on the organised criminal networks involved in the Brazil-Europe cocaine trade. It explains how these groups exploit maritime supply chains, the types of concealment methods used, and real case examples involving vessel contamination, underwater concealment, major seizures and suspected or proven crew involvement.

The term “cartels” is used in the briefing sense. In practice, the Brazil-Europe trade is normally enabled by alliances between Brazilian factions, port insiders, European import networks, brokers, logistics cells, divers, corrupt facilitators and sometimes crew, rather than by one vertically integrated cartel.

A2. Strategic overview

Brazil is a key embarkation and transit point for cocaine moving from South America to Europe. Cocaine may originate in Andean production countries but is moved through Brazil using established inland logistics routes, port access networks and corrupt facilitators. Once at or near the port, the drugs may be moved through containers, hidden onboard vessels, attached externally to hulls or sea chests, transferred at anchorage, or shipped by dedicated criminal vessels.

European demand is high and European ports such as Antwerp, Rotterdam, Hamburg, Algeciras, Valencia, Le Havre, Sines, Lisbon and ports in the Canary Islands are attractive destinations or transit points. Criminal groups also use West Africa, the Canary Islands, North Africa and the Gibraltar Strait as staging, diversion or recovery zones.

For shipowners, the key point is that the vessel may become involved in several different ways:

- Unwitting contamination - drugs are placed in containers, sea chests, hull structures or void spaces without the owner’s knowledge.
- Port-side facilitation - corrupt or intimidated port workers, contractors, drivers, launch crews, agents or service providers assist the criminal group.

- Crew facilitation - one or more crew members assist by allowing access, hiding drugs, disabling controls, providing information, moving packages, or jettisoning packages at sea.
- Management or commercial compromise - local intermediaries, crewing pipelines, contractors or commercial pressure points are exploited to frustrate security action.
- Dedicated trafficking vessels - older cargo ships, fishing vessels, sailing vessels, semi-submersibles or support craft are used primarily or partly for drug carriage.

A3. Principal criminal networks and facilitators

PRIMEIRO COMANDO DA CAPITAL - PCC

The PCC is one of Brazil's most powerful organised criminal factions. It originated in São Paulo's prison system and has developed extensive national and international criminal reach. Its activities include cocaine trafficking, weapons trafficking, money laundering and the use of ports and logistics corridors to move drugs overseas. The PCC is relevant to shipowners because it has the scale, international connections and logistical capability to support cocaine movements from Brazil into Europe and other overseas markets.

COMANDO VERMELHO - CV

Comando Vermelho is another major Brazilian criminal faction, historically linked to Rio de Janeiro but with wider national influence. Its relevance to maritime trade lies in its ability to participate in wider drug logistics and to cooperate or compete with other criminal factions.

OS MANOS

Os Manos is a criminal group originating in Rio Grande do Sul. It is relevant because of the southern Brazil geography and proximity to ports used in international trade. The group has been linked in open-source reporting to drug trafficking activity and relationships with other criminal factions.

PRIMEIRO GRUPO CATARINENSE - PGC

The PGC is a Santa Catarina-based criminal group. Santa Catarina ports, including Itajaí, Navegantes, Imbituba, Itapoá and São Francisco do Sul, are relevant to maritime cocaine trafficking risk. Where criminal groups operate across state lines, they may exploit port infrastructure, trucking corridors and container logistics.

BALKAN ORGANISED CRIME GROUPS

Balkan organised crime groups have become significant players in the transatlantic cocaine trade. They often operate as brokers, maritime organisers, financiers, crew recruiters, vessel controllers or European distribution coordinators.

ALBANIAN-SPEAKING CRIMINAL NETWORKS

Albanian-speaking networks have become highly influential in European cocaine distribution and, in some cases, in direct sourcing from Latin America. Open-source reporting has identified Albanian-linked groups using divers and underwater methods to retrieve cocaine hidden in sea chests or hull structures.

ITALIAN ORGANISED CRIME, INCLUDING NDRANGHETA-LINKED NETWORKS

The Ndrangheta has long been associated with cocaine importation into Europe and has relationships with South American suppliers. It may work with Brazilian, Balkan, Albanian, Dutch, Belgian or Spanish-speaking networks depending on route and commodity flow.

DUTCH, BELGIAN AND MOROCCAN-DUTCH NETWORKS

The ports of Rotterdam and Antwerp are central to European cocaine importation. Criminal networks operating in the Netherlands and Belgium, including Moroccan-Dutch and Belgian organised crime groups, are key receivers, organisers and distributors.

LOCAL PORT FACILITATORS

Not every actor in the chain is a cartel member. Many maritime drug cases depend on facilitators such as port workers, launch boat operators, stevedores, truck drivers, container-yard personnel, guards, divers, agents, chandlers, repair contractors, crew managers, corrupt officials, hotel, transport or logistics providers.

A4. Common maritime smuggling methods

CONTAINER CONTAMINATION

Cocaine is hidden inside legitimate cargo containers. The container may be contaminated before terminal entry, inside the port, or after loading. In some cases, the container seal is cloned or replaced.

Rip-on / rip-off method

Drugs are inserted into a legitimate container after packing and removed before final delivery, often by corrupt port workers or extraction teams. The consignee may be unaware.

SEA CHEST AND UNDERWATER CONCEALMENT

Divers attach packages of cocaine to underwater compartments or structures such as sea chests, bilge keels, rudder areas, thruster tunnels or other hull features. This is often called the parasite technique.

ANCHORAGE TRANSFER

Small boats may approach a vessel at anchorage, particularly at night or in low visibility. Drugs may be passed to crew, hidden externally, or placed in accessible compartments.

INTERNAL CONCEALMENT ONBOARD

Drugs may be hidden in cofferdams, void spaces, boatswain stores, steering gear rooms, engine-room spaces, accommodation areas, lifeboats, spare-parts stores or cargo-related compartments. This method often suggests some degree of insider knowledge.

JETTISON AND GPS RECOVERY

Packages may be thrown overboard at a pre-arranged position with GPS trackers, lights, buoys or flotation devices. Recovery teams then collect the packages by small craft.

DEDICATED TRAFFICKING VESSELS

Older merchant vessels, fishing vessels, yachts, sailing vessels, semi-submersibles and support craft may be used primarily for trafficking. These cases demonstrate the scale, sophistication and maritime capability of trafficking networks.

A5. Case examples

CASE 1: OPERATION ESCAFANDRIA - RIO GRANDE TO EUROPE

Brazil's Federal Police launched Operation Escafandria in April 2024 to dismantle a criminal organisation allegedly using the Port of Rio Grande as a departure point for cocaine shipments to Europe. The method reportedly involved divers hiding cocaine in sea chests and underwater parts of vessels. The supporting briefing material records a linked seizure of 198 kg of cocaine found in Las Palmas on a ship that had departed Rio Grande. Lesson: Rio Grande should be treated as a material counter-narcotics risk port and sea chest/underwater concealment must be considered.

CASE 2: MAJOR BRAZIL-EUROPE CRIMINAL NETWORK IMPORTING COCAINE INTO EUROPEAN PORTS

Europol has reported major Brazil-Europe criminal networks importing large volumes of cocaine into European

ports. One Europol case concerned a Brazilian trafficking organisation exporting cocaine to Europe, with investigators attributing more than 17 tonnes of cocaine to the network. Lesson: Brazil-Europe cocaine trafficking is not occasional or opportunistic; it is industrial-scale.

CASE 3: BALKAN CARTEL SHIPPING COCAINE FROM SOUTH AMERICA TO THE EU

Europol has reported the dismantling of Balkan organised crime networks involved in moving cocaine from South America to the EU and beyond. Lesson: European reception networks may organise or finance parts of the South American maritime chain.

CASE 4: MV BLUME - MORE THAN FOUR TONNES OF COCAINE AND CREW PROSECUTION

In January 2023, Spanish authorities intercepted the Togo-flagged cargo ship Blume off the Canary Islands after it had departed Brazil. More than four tonnes of cocaine were reportedly found onboard. Public reporting later stated that crew members were convicted in connection with the case. Lesson: crew involvement can move a case from vessel contamination to criminal conspiracy.

CASE 5: ATLANTIC HIGH-SEAS SEIZURE - NEARLY TEN TONNES AND THIRTEEN CREW ARRESTED

MAOC-N reported that Spanish authorities intercepted a merchant vessel in the Atlantic en route to Europe with 9,994 kg of cocaine concealed among a cargo of salt. Thirteen crew members were arrested and a firearm was reported seized. Lesson: very large cocaine consignments may be carried by merchant vessels under cover of ordinary bulk cargo.

CASE 6: FRANCE-BRAZIL JOINT INVESTIGATION

Eurojust reported a French-Brazilian joint investigation after 124 kg of cocaine were discovered on a cargo ship arriving in France from Brazil. Lesson: a seizure in Europe can trigger investigative action back into Brazil and cross-border requests for evidence.

CASE 7: SANTOS HULL ATTACHMENT - 114 KG OF COCAINE

MAOC-N reported a Brazilian Federal Police operation in which divers found 114 kg of cocaine stuck to the hull of a vessel anchored at Santos. The vessel had left Argentina and was bound for Spain. Lesson: underwater attachment can occur without crew knowledge and owners should consider diver or underwater drone inspection for higher-risk calls.

CASE 8: SEMI-SUBMERSIBLE OPERATIONS NEAR THE AZORES

Portuguese authorities have intercepted semi-submersible vessels carrying multi-tonne quantities of cocaine in the Atlantic. Although this method does not usually involve ordinary merchant vessels, it demonstrates the range and sophistication of South America-Europe maritime cocaine logistics.

A6. Crew involvement: patterns and warning signs

Crew involvement is not present in every case, and owners must avoid unfair assumptions. However, where drugs are hidden internally, moved during the voyage, jettisoned at sea, guarded onboard, or recovered with precise timing, insider involvement becomes a realistic possibility.

- unexplained crew wealth or debt
- unusual communications before port arrival or before European landfall
- crew using multiple phones or encrypted messaging
- refusal to cooperate with searches
- unexplained access to void spaces, stores, steering gear or engine-room compartments
- unusual night activity on deck

- disabled CCTV, lighting or access controls
- false or incomplete gangway logs
- unexplained small-craft contact
- resistance to security team boarding
- inconsistent master or officer explanations
- unusual route deviations, speed changes or stoppages
- unauthorised over-side activity
- crew anxiety near known recovery zones
- packages, GPS devices, buoys, ropes or flotation materials found onboard

The presence of one indicator does not prove criminal involvement. Several indicators together, especially when combined with specific intelligence, should trigger immediate escalation.

A7. Implications for shipowners

- The cases above show that shipowners trading from Brazil to Europe face four overlapping risks:
- Criminal contamination risk - the ship or cargo is used without the owner's knowledge.
- Insider risk - crew, contractors or shore personnel assist the criminal group.
- Operational response risk - the owner receives intelligence but fails to act quickly, coherently or defensibly.
- Legal and reputational risk - the company cannot demonstrate that it took reasonable steps after becoming aware of a credible threat.

A8. Recommended owner-level countermeasures

INTELLIGENCE-LED PORT CATEGORISATION

Owners should categorise Brazilian ports by narcotics risk and maintain port-specific guidance for Santos, Rio Grande, Paranaguá, Itajaí, Navegantes, Imbituba, Itapoá, São Francisco do Sul and other relevant ports.

PRE-ARRIVAL ESCALATION PROTOCOL

Where credible intelligence is received, the owner should immediately identify who has command authority, whether anchorage can be avoided, whether independent boarding is possible, whether port state or law enforcement should be notified, whether P&I and legal counsel should be engaged, whether the master or crew can safely be informed, and whether there is a risk of tipping off suspects.

AGENT DUE DILIGENCE

In high-risk ports, agents should be vetted and cross-checked. If a sensitive security operation is underway, the agent should only receive information on a need-to-know basis.

CREW VETTING AND WELFARE

Enhanced vetting should not be punitive. It should include awareness of recruitment vulnerabilities, debt, coercion, family pressure, intimidation and bribery. Crew need safe reporting channels and confidence that whistleblowers will be protected.

SHIPBOARD HARDENING

Enhanced measures should include strict gangway control, continuous deck and waterside watch, searches of

void spaces and stores, lighting of overside areas, monitoring of small craft, CCTV preservation, locked access to sensitive compartments, seal control, toolbox talks before arrival, suspicious approach reporting, post-departure search routines, and consideration of diver or underwater drone inspection.

EVIDENCE PRESERVATION

If intelligence is received or drugs are found, preserve original whistleblower material, crew lists, gangway logs, CCTV, deck and engine logs, AIS and voyage data, email and messaging instructions, agent communications, launch and visitor records, cargo and container records, seal records, photographs, search records, master's statements and security team notes.

LEGAL REPORTING AND PRIVILEGE

The decision to report should be taken with legal advice. Factors include specificity of intelligence, alleged crew involvement, location of the vessel, flag, coastal state, next port, cargo interests, insurance obligations and risk of evidence destruction.

ANNEX A KEY MESSAGE

The Brazil-Europe cocaine trade is sophisticated, adaptive and violent. Criminal networks can exploit the ship externally, internally, commercially and through people. A vessel does not need to be owned or operated by criminals to become a trafficking platform.

Annex B: Legal complexity for shipowners - reporting suspected maritime drug trafficking

B1. Purpose of this annex

This annex explains the complex legal position faced by a shipowner that receives information suggesting that a vessel, crew member, cargo, contractor or port intermediary may be involved in drug trafficking.

CENTRAL QUESTION

If a shipowner receives information pointing to possible criminal activity, is there an international legal obligation to report it?

There is no single universal international rule that automatically requires every private shipowner to report every suspicion of drug trafficking to every potentially interested authority. However, depending on the facts, reporting obligations or strong practical duties may arise under flag-state law, coastal-state law, port-state law, the law of the owner's domicile, money-laundering legislation, ship security requirements, insurance terms, charterparty obligations, employment law, sanctions law, and general criminal law principles such as aiding, abetting, obstruction, conspiracy, failure to prevent, or possession.

The practical answer for shipowners is therefore: do not assume that there is no duty to report. Do not assume that there is an immediate duty to report to every authority. Take urgent legal advice, preserve evidence, control information, assess jurisdiction, and document the decision-making process.

B2. Why the legal position is complex

Modern ship operations rarely sit within one legal system. A single incident may involve:

- a shipowner incorporated or resident in one country

- a technical manager in another country
- a commercial manager in another country
- a vessel flagged in a different jurisdiction
- a master and crew from several different nationalities
- cargo owned, insured or financed by interests in multiple countries
- a charterer based elsewhere
- a port agent in the loading state
- alleged criminal conduct in port, at anchorage, in territorial waters, on the high seas, or at the discharge port
- drugs destined for a different country from the one where they were loaded
- insurers, P&I clubs, banks and financiers in further jurisdictions
- This means there may be several authorities with a possible interest, but no single obvious authority to whom every report must always be made.

B3. International law: duties mainly fall on States

International law does recognise drug trafficking by sea as a matter requiring cooperation. UNCLOS Article 108 requires States to cooperate in suppressing illicit traffic in narcotic drugs and psychotropic substances by sea. Article 17 of the 1988 United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances also establishes a cooperation framework for illicit traffic by sea.

However, these provisions are mainly addressed to States. They create a framework for cooperation, jurisdiction, boarding, flag-state consent and law-enforcement action. They do not, by themselves, usually create a simple direct criminal duty on every private shipowner to report every suspicion to a particular authority.

This distinction is important. A shipowner should not misread the international conventions as saying either that there is always a direct international criminal duty on the owner to report immediately, or that there is no legal risk because the conventions only bind States. International conventions may be implemented into domestic law by the flag State, port State, coastal State or the State where the owner is incorporated. Once implemented, those domestic laws may create direct obligations on owners, masters, operators, managers or regulated professionals.

B4. Flag State: the first legal reference point

The vessel's flag State is central because the ship is subject to the jurisdiction and control of the flag State, particularly on the high seas. If suspected trafficking occurs onboard, the flag State may have criminal jurisdiction and regulatory jurisdiction.

The owner should ask:

- What does the flag State require the master, company or CSO to report?
- Does the flag State require reporting of security incidents?
- Does the flag State require reporting of suspected criminal offences onboard?
- Does the flag State require reporting before allowing foreign authorities to board or search?
- Does the flag State have a designated counter-narcotics or maritime security contact?
- Does the ship security plan contain flag-approved reporting procedures?
- Would failure to report affect the vessel's certification, Document of Compliance, Safety Management

Certificate or ISPS compliance?

B5. Coastal State and port State

The coastal State or port State may have jurisdiction if the suspected conduct occurs in port, at anchorage, in territorial waters, in the contiguous zone, when the ship arrives in port, or when drugs are discovered during unloading or inspection.

For a Brazil-Europe voyage, several States may therefore be relevant: Brazil as the loading or anchorage State; any coastal State passed during the voyage; Spain, Portugal, Morocco or other States near a suspected jettison or recovery location; and the European port State where the vessel calls.

The owner may face a difficult choice. Reporting to the loading State may be legally or practically appropriate, but may risk alerting compromised local actors if the criminal network has access to port or law-enforcement information. Reporting only to the flag State may be safer initially, but may later be criticised if the vessel enters another State's port carrying contraband. This is why legal advice and controlled escalation are essential.

B6. Owner's country of residence or incorporation

The law of the owner's home jurisdiction may also matter, even if the vessel is foreign-flagged and the incident occurs abroad. The owner's home jurisdiction may create obligations relating to money laundering, proceeds of crime, failure to prevent economic crime, sanctions, corporate criminal liability, bribery and corruption, regulated-sector reporting, directors' duties, health and safety, employment obligations, whistleblower protection, data protection and evidence handling.

The owner should therefore avoid asking only: "Does maritime law require us to report?" The better question is: "Which legal systems touch the company, the ship, the crew, the cargo, the money, the port call and the evidence - and what does each require?"

B7. Crew nationality and employment law

Crew nationality can create further legal complications. Crew members may be citizens of States that claim jurisdiction over their nationals abroad. Crew employment contracts, collective bargaining agreements and manning-agency arrangements may also affect how interviews, searches, suspensions, repatriations and disciplinary steps are handled.

If crew involvement is suspected, the owner must balance several competing duties: preserve evidence; avoid tipping off suspects; protect innocent crew; protect the whistleblower; avoid unlawful detention or coercive questioning; respect employment rights; avoid defamation; avoid interfering with a criminal investigation; and ensure the safety of the vessel.

The master also occupies a legally sensitive position. The master is responsible for the safety and security of the vessel, but may also be a potential witness or suspect. If allegations involve the master, the company may need an alternative command and reporting pathway through the CSO, DPA, flag State, legal counsel or a company director.

B8. Cargo interests, charterers and commercial parties

Cargo ownership and charterparty arrangements add further complexity. A shipowner may owe contractual duties to charterers and cargo interests, but those duties cannot override criminal law, safety duties or lawful instructions from authorities.

Problems arise where charterers resist delay or inspection; cargo interests object to search or disruption; a port agent says boarding is impossible; a terminal refuses access; cargo documentation looks legitimate but intel-

ligence suggests contamination; a lawful search could lead to detention and off-hire; or a report could trigger media exposure or commercial claims.

Charterparty terms may include obligations relating to lawful cargo, safe ports, compliance with laws, war risks, narcotics clauses, sanctions clauses, BIMCO clauses, off-hire, deviation, cooperation with authorities, and evidence preservation. Owners should involve chartering and legal teams early, but the response must not be driven solely by commercial pressure.

B9. Insurance and P&I Club considerations

P&I Clubs and insurers may need to be notified where there is a potential criminal investigation, detention, crew arrest, cargo delay, pollution risk, deviation, security incident, legal exposure or claim. Failure to notify insurers promptly may prejudice cover. However, insurer notification is not the same as reporting to law enforcement.

The owner should distinguish between internal escalation, legal counsel notification, P&I or insurer notification, flag-state notification, port-state or coastal-state notification, law-enforcement notification, charterer or cargo notification, and crew or union notification. Each disclosure should be controlled, recorded and legally assessed.

B10. ISPS Code and ship security reporting

The ISPS framework is important because drug-smuggling information may amount to a security threat or security incident. The company security officer, ship security officer and port facility security officer structure exists to manage these risks. IMO describes the ISPS Code as a comprehensive set of measures to enhance the security of ships and port facilities, implemented through SOLAS chapter XI-2, and based on risk management.

Where credible information suggests that organised criminals may attempt to place drugs onboard, use the vessel, compromise crew or interfere with port operations, the owner should consider whether the ship security level should be raised, whether additional security measures are required, whether the ship security plan requires reporting, whether the company security officer must notify the flag State or recognised security organisation, whether the port facility security officer should be notified, and whether communication with the port should be limited because of compromise concerns.

ISPS does not necessarily answer the criminal-law reporting question, but it creates a structured security-management obligation. A failure to follow the ship security plan or company security procedures may later be used as evidence that the owner acted inadequately.

B11. Is there a general legal duty to report?

The answer depends on jurisdiction. In many legal systems, private citizens and ordinary companies do not have a general duty to report every suspected crime. Some jurisdictions impose duties only for certain grave offences, certain regulated sectors, certain public officials, or certain circumstances. Other jurisdictions impose broader duties.

Drug trafficking is serious, but seriousness alone does not automatically answer the reporting question in every legal system. A shipowner should therefore distinguish between:

- a hard legal duty to report under statute, flag-state regulation, port-state law, money-laundering law, customs law, ship security rules, or a specific order from an authority
- a regulatory or procedural duty to report under ISPS, the ship security plan, the safety management system, flag-state guidance, company procedures or P&I requirements
- a contractual duty to notify under charterparty, bill of lading, insurance, finance, management, crewing or agency contracts
- a practical duty to protect the company by escalating credible information and showing responsible

conduct

- a duty not to make matters worse by destroying evidence, assisting offenders, tipping off suspects, obstructing justice, misleading authorities, or knowingly facilitating crime

B12. The danger of both over-reporting and under-reporting

The owner faces risk in both directions. Under-reporting can lead to allegations of wilful blindness, complicity, vessel detention, criminal investigation of company officers, loss of insurance protection, charterparty disputes, reputational damage, failure to protect crew, failure to preserve evidence, and regulatory criticism. Over-reporting can tip off suspects, expose the whistleblower, place personnel at risk, alert compromised port actors, trigger avoidable detention, breach confidentiality or data protection duties, defame innocent crew, prejudice privilege, disrupt lawful investigations, or create commercial claims.

The correct response is not simply “report everything immediately” or “report nothing until proof exists.” The correct response is controlled, legally advised escalation.

B13. Knowledge, suspicion and reasonable grounds

The legal threshold matters. Different regimes use different standards, including knowledge, belief, suspicion, reasonable grounds to suspect, credible information, specific intelligence, actual discovery, reasonable cause, security threat and security incident. A vague rumour may justify internal review and discreet verification. A specific whistleblower report giving route, quantity, method, crew involvement and concealment location is far more serious. The more specific and credible the information, the harder it is to justify inaction.

B14. Suggested decision framework

When information is received, the owner should immediately ask:

1. What exactly has been alleged?
2. Who provided the information?
3. How specific is the information?
4. Does it identify vessel, voyage, port, crew, method, quantity, concealment location or recovery point?
5. Is the ship still in port, at anchorage, at sea, or approaching a recovery zone?
6. Is there a risk of immediate harm to crew or investigators?
7. Could notifying local parties tip off the suspects?
8. Which State is the flag State?
9. Where is the vessel physically located?
10. Which State’s port has just been left or will be entered next?
11. Where is the owner incorporated or managed?
12. Are any regulated-sector money-laundering obligations triggered?
13. What does the ship security plan require?
14. What does the safety management system require?
15. What do insurance and P&I terms require?
16. What does the charterparty require?
17. Is there a need to preserve privilege?

18. What evidence must be preserved immediately?

19. Who should be told, in what order, and by whom?

20. What written record will show that the company acted responsibly?

B15. Recommended escalation model

STEP 1: PRESERVE AND CONTAIN

Preserve the original information, restrict distribution, protect the whistleblower, and prevent unnecessary disclosure to people who may be implicated.

STEP 2: CONVENE A PRIVILEGED CRISIS GROUP

Include senior management, legal counsel, CSO, DPA, relevant technical management, P&I and specialist security support. Keep minutes or privileged notes as advised by counsel.

STEP 3: IDENTIFY JURISDICTIONS

Map the flag State, owner domicile, vessel location, next port, loading port, crew nationalities, cargo interests and charterparty law.

STEP 4: ASSESS REPORTING DUTIES

Counsel should assess hard legal duties, regulatory duties, contractual duties and practical risk.

STEP 5: DECIDE ON AUTHORITY ENGAGEMENT

This may involve flag State first, law enforcement first, or port State first, depending on facts and safety. The decision should be documented.

STEP 6: IMPLEMENT SECURITY MEASURES

Raise shipboard security posture, conduct searches, control access, monitor small craft, protect evidence, and consider independent boarding or diver inspection.

STEP 7: MANAGE COMMUNICATIONS

Prepare controlled messages for master, crew, agent, charterer, P&I, flag State and authorities. Avoid speculation and defamatory allegations.

STEP 8: REVIEW AFTER ACTION

After the immediate risk has passed, conduct an independent review of crew, agents, operational management, ship security plan, reporting process and evidence handling.

B16. Application to the Brazil-Europe scenario

In the Brazil-Europe scenario, the legal position is particularly complex because the alleged loading point may be Brazil; the vessel may be foreign flagged; the owner may be European; the master and crew may be of different nationalities; the drugs may be intended for Europe or North Africa; the alleged jettison point may be outside territorial waters; the cargo interests may be separate from the owner; the agent may be local and possibly unreliable; the next port may be in a different jurisdiction; the ship may pass through waters of several States; and the information may initially be whistleblower intelligence rather than physical evidence.

On these facts, it would be unsafe to say that there is always no obligation to report. It would also be unsafe to say that the owner must immediately report to every possible authority.

The better conclusion is that the owner should treat the information as potentially reportable, immediately take legal advice across the relevant jurisdictions, preserve evidence, consider early flag-state and P&I engagement,

and make a documented decision on whether, when and how to notify Brazilian, flag-state, next-port, European or other competent authorities.

B17. Practical wording for company policy

SUGGESTED POLICY CLAUSE

Where the Company receives credible information suggesting that a vessel, cargo, crew member, contractor, agent or other party may be involved in drug trafficking or other serious criminal activity, the matter shall be escalated immediately to the Company Security Officer, Designated Person Ashore, General Counsel or appointed external legal counsel, and senior management. The Company shall preserve evidence, protect whistleblowers, assess immediate safety and security risks, identify applicable jurisdictions, and determine reporting obligations under flag-state law, coastal-state law, port-state law, the law of the Company's domicile, insurance terms, charterparty obligations, ISPS requirements and any applicable anti-money-laundering or proceeds-of-crime legislation. No person shall destroy evidence, tip off suspected offenders, obstruct an investigation, or make external notifications without authority, except where immediate notification is required by law or necessary to protect life, the vessel or the environment.

B18. Core legal message

The legal problem for shipowners is not simply whether drugs are onboard. It is whether the company can prove that, once it had credible information, it acted lawfully, promptly and responsibly.

There may not be a single universal international reporting obligation on private shipowners. But there may be several overlapping national, regulatory, contractual and practical obligations that together make inaction indefensible.

In a serious Brazil-Europe narcotics case, the safest position is not silence and not uncontrolled disclosure. The safest position is rapid legal triage, evidence preservation, controlled escalation and a clear written record of why the company reported, delayed reporting, or reported through a particular authority.

Sources consulted

The document is based on the two user-provided MAST documents and selected open-source references. The case narrative has been anonymised and should not be treated as a finding of fact against any named or unnamed person or company.

Category	Source	Relevance
User-provided source	Confidential report - Visit to Rio Grande - MV XYZ - June 2025	Internal MAST/X Co briefing material uploaded for this task.
User-provided source	Security report - Rio Grande - Counter Narcotics 2025	Internal MAST counter-narcotics briefing material uploaded for this task.
International law	UNCLOS Article 108	United Nations Convention on the Law of the Sea, Part VII, Article 108: illicit traffic in narcotic drugs or psychotropic substances.
International law	1988 UN Drug Convention Article 17	United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, 1988, Article 17: illicit traffic by sea.
IMO guidance	IMO Resolution FAL.9(34)	Revised Guidelines for the prevention and suppression of the smuggling of drugs, psychotropic substances and precursor chemicals on ships engaged in international maritime traffic.
IMO guidance	IMO ISPS Code FAQ	IMO description of the ISPS Code as a risk-management framework under SOLAS chapter XI-2.
Law enforcement case	Europol: 15 arrested in Brazil over 17 tonnes of cocaine worth billions	Europol, 31 March 2023.
Law enforcement case	Europol: Balkan cartel trafficking cocaine from South America to the EU dismantled	Europol, 28 July 2022.
Law enforcement case	Europol: Cocaine cartel collapses after final arrests in Spain	Europol, 13 June 2024.
Law enforcement case	MAOC-N: Spanish authorities make historic cocaine seizure in the Atlantic Ocean	MAOC-N, 12 January 2026, reporting 9,994 kg of cocaine, 13 crew arrested and a firearm seized.
Law enforcement case	MAOC-N: Divers from the Brazilian Federal Police find 114 kg of cocaine	MAOC-N, 29 August 2024, reporting cocaine stuck to a vessel hull at Santos.
Law enforcement case	Eurojust: Global actions hit cocaine traffickers in Brazil	Eurojust, 31 March 2026, concerning a France-Brazil JIT after discovery of 124 kg of cocaine on a cargo ship arriving in France from Brazil.

Selected URLs for public sources

- UNCLOS Part VII, Article 108: https://www.un.org/depts/los/convention_agreements/texts/unclos/part7.htm
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- Europol: Balkan cartel trafficking cocaine from South America to the EU: https://www.europol.europa.eu/media-press/newsroom/news/balkan-cartel-trafficking-cocaine-south-america-to-eu-dismantled
- Europol: cocaine cartel final arrests in Spain: https://www.europol.europa.eu/media-press/newsroom/news/cocaine-cartel-collapses-after-final-arrests-in-spain
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- Eurojust: France-Brazil JIT: https://www.eurojust.europa.eu/news/global-actions-hit-cocaine-traffickers-brazil



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