



ALLIANZ COMMERCIAL

Getting the best of mobile trackers

Allianz Risk Consulting

Risk bulletin

Introduction

Cargo theft is becoming more prevalent around the world as criminal organizations look to it as a means to fund illicit activities. This problem has caused disruption in the supply chain and hindered shippers' ability to deliver products to their customers in a timely manner. These disruptions not only result in loss of product, but can cause a loss of market share or reputational risk for shippers; compounding the impacts of cargo theft.

Faced with these challenges, shippers are looking for solutions to stay ahead of organized gangs and their cargo theft operations. The use of **mobile trackers** has become more prevalent among shippers seeking to protect their goods. **Mobile Trackers** aid in the recovery of the stolen cargo, while also providing insight into a thief's modus-operandi. Apart from theft prevention, the ability to see how cargo is handled in every phase of its journey provides unparalleled transparency which ultimately results in faster and more secure deliveries.

Mobile tracker

A mobile tracker is an electronic device used for the purpose of monitoring the location of cargo throughout the supply chain. They generally use those types of communication (Mobile net - e.g. GPRS, G3, G4, Satellite and Location Based Service), which are configured to broadcast signals from their current location to a monitoring centre. The key benefit of a tracker is to recover lost or stolen cargo.



Pillars of effectiveness

Concealment

The mobile tracker should be housed in a manner where it is hidden from the untrained eye. Camouflage considerations include the size, colour, shape, and placement of the tracker.

Prompt action

A clearly defined 'Recovery Action Plan' combined with effective training for all parties is required to ensure a prompt and seamless recovery process.

Confidentiality

Knowledge of a tracking device should be kept to a 'need to know basis'. Ideally, devices will be installed about cargo in a secure location away from general operations.

Considerations

Tracking intervals

Tracking intervals (the amount of time that lapses between moments in which the GPS tracker turns on to capture its location) can be adjusted. These intervals affect the battery life of the tracking device. Tracking interval configuration should be set based upon your specific needs. Example: high risk theft areas would require more tracking intervals.

Defined SLA (Service Level Agreement)

Define command center monitoring protocols, alarm escalation procedures, and recovery responsibilities with **Mobile Tracking** providers in a formal agreement.

Define procedure for confirmed theft

Assign responsibilities to each member of the process, formalize the procedure and officially document the agreement of the parties involved. Review at least annually.

Audit and test in the implementation process

Adherence to established procedures is paramount and as such, periodical 'unscheduled' audits should be performed throughout all steps of the process.