

UK P&I CLUB



LP Bulletin

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Bulletin 803 - 01/12 - Advance fee fraud - West Africa

The Membership should be made aware of recent concern expressed by The ICC International Maritime Bureau (IMB) regarding advance fee frauds in Nigeria. Several cases have been forwarded to the IMB surrounding false documentation reportedly emanating from Nigeria and Ghana pertaining to the sale of petroleum products.

The IMB recently published an article stating how they regularly handle cases where members are caught in the middle of a dispute. Most cases involve poor quality documents that are quickly proven as fake. The documents purportedly show the ownership of cargoes carried on board certain vessels and the scam centres around these spurious documents being sold on to unwitting buyers, often at a heavy discount or for a hefty advance fee.

However, a recent case investigated by the IMB, who acted on behalf of a German buyer, involved much better quality documentation including one document apparently confirming that the Nigerian National Petroleum Company (NNPC) had indeed supplied the seller with the goods. Furthermore, the details of the cargo appeared to match that of a genuine shipment which had taken place. More detailed checks, however, confirmed that the deal was nothing more than an advance-fee fraud.

The IMB noted that the criminals are preying on the lack of knowledge of inexperienced commodity traders. Traders unfamiliar in dealing with petroleum cargoes or in this area of the world and being lured by low rates and tricked by the apparent authenticity of the fraudulent documents.

Often, the sellers suggest to victims that they check themselves that the cargo has been loaded onboard a vessel however, proving a cargo is onboard a vessel is an entirely different matter than proving the ownership of that cargo. It is here where the criminals are capitalising on inexperience.

Cases have been reported where vulnerable vessels have been detained for having fraudulent documentation. The vessels innocence is often quickly proved but not before valuable time and resources have been called upon to deal with the situation.

The IMB urges stringent due diligence checks on all parties involved in any major transaction, even on parties with well established trading records. Furthermore, the Bureau advises that all details of the shipment appearing on the documents are verified independently to prevent losses.

Source of Information:

International Maritime Bureau

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