

## Combating Non-ferrous metal thefts The City Of Cape Town story

### Strategies and collaborative actions to protect our assets and reduce future losses. -: by Pieter van Dalen

Good day to all of you. I hope all of you are as happy as I am to be here and I know that I will try and enjoy every moment of it. This is indeed an honor to be here and share our thoughts on a way forward and together make this fight a more successful one. There is nothing that unites people more than a “common enemy”.

As the theme of the Conference is combating non-ferrous metal thefts and reduce future losses, I would today like to share my experiences with regard to the establishment of the City Of Cape Town Copper Theft Task team called the “Copperheads”. I would also in the process like to air my thoughts regarding what I perceive to be the way to fight this phenomenon.

The City Of Cape Town has in the financial year 2006\2007 lost approximately R 22 million of ratepayer’s money, due to non-ferrous thefts. This coupled to the promise that we will supply an uninterrupted service to our consumers, has forced the City to do something drastically, in order to minimize the losses to the ratepayer. However, since the establishment of the “Copperheads”, we have only recorded losses of R500 000.00 for the financial year 2007\2008

The question in my mind as I stand in front of you today is: -  
How can we fulfill this promise, when there are people and organizations out there that are stealing and vandalizing our networks, equipment and the very services we work so hard to supply to their doorsteps.

Furthermore, it should also be noted that the safety of the communities out there is at risk every day, as the thieves become more brazen and the industry are forced to make more profit.

Many persons are killed by these unsafe conditions created by persons who do not care about their fellow human beings. Law enforcement officers have to risk their lives every day to try and prevent these dangerous situations and bring the criminals to book.

It is therefore important to investigate and find solutions to the ever-increasing problem of combating this specific crime.

It is also an excellent idea to form Private Public Partnerships as this gives us the opportunity to consolidate the efforts of various institutions and organisations and share best practises.

Organisations and Associations like SALGA, AMEU, SARPA, BAC and the Chamber of Commerce should assist in these campaigns.

Media campaigns are a sure way of getting messages over to communities and business partners. In the City of Cape Town we have embarked on such a campaign to counter non-ferrous thefts and the result has been outstanding. We have had +\_ 4.8 million Rand's worth of exposure in the media in the last 12 months. This powerful tool has done 50% of our work as the major scrap yard dealers are phoning us to find out what they must do, so that we don't come and close them down.

The illegal trade in non-ferrous metals have become a multi million rand trade in South Africa, with people involved from all walks of life. The escalating thefts of equipment and cables containing non-ferrous metals have proved to be the most dominant targets. Some other strategic articles are also targeted like: - drain covers, solar panels, watermeters and the latest addition is the theft of transformer oil

This is costing South Africa millions of Rand's on a daily basis, with networks that are not being able to function properly. The damage done by the thieves amount to considerably more than the value of the material stolen, as the full costs of replacement, installation, the damages suffered and the costs incurred in dealing with the whole issue is at least 3 times as much as the cost of the material.

With all the role players being involved in the investigation and prosecuting of suspects, the need has arisen to work very closely together and follow effective processes. This I have found to be a challenge, as everyone has his own idea of doing things. The provincial Commissioner Petros has issued a verbal instruction not to work with the Copperheads, as I am involved and politicians should not be involved in fighting crime. The time has passed that the SAPS owns crime and the call for the public to assist them was an indication that they do need all the help they can get. What I find strange is that they don't take the public in to their confidence and tell them what it is they need help with. We have found this to work very well and receive calls on our tall free no (0800222771) daily. What they do rely on is that when they call we send somebody to investigate and follow up and report back.

The fact that Law Enforcement Agencies also need to be sensitised with regard to these processes, puts a huge burden on the effective implementation of operational processes. Training sessions has to be held at each and every police station, courts and other Law Enforcement Agencies.

At a summit held on the 19 June this year in Cape Town with Business leaders and Scrap Metal Merchants, Mayor Helen Zille said that the multi-million rand theft of non-ferrous metal items threatened to bring Cape Town 'to its knees'.

The Mayor pledged the City Council's wholehearted commitment to do everything necessary to fight the problem. She has given us vehicles and personnel with a mandate to do what it takes to stop the theft of our infrastructure and to secure it for 2010. We are to take a no nonsense approach and we have the support of the entire City Council. This has indeed been the case, as our Copper Theft Task team, (Copperheads) established by the City Of Cape Town has in co-operation with different role players, successfully apprehended in excess of 200 thieves in the last 12 months.

The problem arises when the cases go to court and convictions are not secured because the investigators is overloaded with more serious cases and the justice system throws it out, as they are also overloaded. In most instances they don't realize the severity of the problem.

The Mayor appealed to the scrap yard industry to clean up their act and to help solve the problem instead of being part of the problem

The Cape Town Regional Chamber of Commerce and Industry has on the other hand urged the City to pursue civil action against scrap dealers, who are arrested for buying stolen Council property.

The Scrap Dealers will really have to join the party, as the Law states clearly that the actions, or lack of actions, of any manager, agent or employee of a scrap dealer are presumed to be that of himself.

I feel that it is essential that we get Parliament to speed up the process legalizing the new Second Hand Goods Bill, so that we can target the very heart of illicit scrap metal transactions.

I get the feeling there is no political will to do this and would be really surprised if this in fact happens in the next 12 months.

We have found that perpetrators under the influence of drugs commit about 75% of all these crimes? We have found in the Western Cape that many of the thief's, who are indeed these drug addicts, are hired by the syndicates to steal cables and they then use the money to buy drugs. So they steal from "fix to fix"

We must make it difficult for people to steal Service Providers property. Some Communities cover up criminal activity within their midst for fear of reprisals, or due to a desire to protect friends or family members. We need to make the consequences so clear, that no one will want to keep quiet. If the criminals are not identified, we should leave services off in areas where supply networks are repeatedly stolen.

Government needs to appoint a Judicial Enquiry to address flaws in the law enforcement system. Non-ferrous theft must be classified as 'serious organized crime' so that we can bring in the 'big guns' such as the Asset Forfeiture Unit and the Scorpions

Representatives of the scrap metal industry at the summit agreed to set up a dedicated task team in conjunction with BAC to pinpoint loopholes in the supply chain from the 'bucket shops' to the large industry players. This however never happened and we at the City of Cape Town have now decided to rather do it on our own.

During a research we conducted to determine why these criminals are so effective in what they do, we found that their strong points are their great teamwork and information-sharing network. During the research we have also been able to detect when and where they are going to hit us next.

In order to counter such operations, we need to be better than the criminals in this regard, to achieve the best results.

With this in mind we need to lose the old perception that no one can be trusted and take hands to work together as a team.

Please take note that "Knowledge is power".

Here is the way forward and I submit that if we don't do these things I am to suggest now we will be fighting this until time will be with us no more

1. Non-ferrous theft combating Committee (NFTCC) must be empowered by means of legislation to give advice, enforce compliance and make recommendations at Parliament. The NFTCC should report to the Portfolio Committee of Safety and Security on a quarterly and annual basis regarding the theft of non-ferrous metals on a provincial and national scale. The NFTCC must be granted its own budget in terms of legislation and operate as an independent body within the Safety and Security Cluster. It is my submission that this should be chaired by the highest-ranking police officer responsible for the enforcement of the second-hand goods act. People that can make decisions and enforce them.

2. The SAPS must reinstate the SAPS crime code for copper related thefts. In the past, there used to be a separate code for the theft of copper, but this was done away with as a result of internal management restructuring. The code was used in the capturing of crime information and all incidents of copper theft would use the same code. Without such as code, the copper cable theft is recorded in various different ways, from malicious damage to property to unspecified theft. It is therefore impossible to generate national or provincial statistics of copper cable theft. Without a central means to collate and compile all crime information on copper theft, it is impossible to properly engage in the investigation of theft trends and syndicate operations across South Africa.
3. There must be a comprehensive training module on non-ferrous metal theft, in particular copper theft, for judicial officers such as public prosecutors and judges. Such a module needs to be developed urgently to sensitise on a national scale at all the relevant levels of the court system. Without such training, the public prosecutors and judges frequently do not know how to proceed with effective prosecution and judging of such cases.
4. There must be a comprehensive training module for SAPS members, in particular detectives. Detectives must be trained on how to analyse and detect evidence that can be used at the scene of cable theft. The same module must also be incorporated into the basic training for all new SAPS recruits.
5. There needs to be greater export controls for non-ferrous metals. At the moment, customs inspection for non-ferrous metals has been outsourced to private businesses, which are not required in terms of their contracts, to inspect each and every container containing non-ferrous metals. As a result, stolen non-ferrous metals is leaving our ports and bypassing the required checks. To correct this, all contracts for private businesses to perform customs duties must contain the requirement for each and every container to be thoroughly inspected. Failure to inspect every container must carry some form of sanction, either in terms of dereliction of duty or failure to comply with legislation.
6. An export duty on non-ferrous metals should be instated and the funds generated from the export duty could be channelled into a fund that businesses can claim from against losses incurred as a result of non-ferrous metal theft. For example, if a business suffered a loss of R1m during the course of one financial year, that business should be able to submit a claim to the export duty fund in order to recover either the full amount or a portion.

7. All new manufactured copper cables should be marked in some way. Marking options that are available include micro-dotting and identifying groove markings. Marking all newly manufactured copper cables is imperative as it is impossible to identify stolen and legitimate copper cables once the casing has been stripped. The inability to properly identify stolen copper cables is one of the main reasons why stolen cables are able to leave the country undetected. I will be lobbying the council to at a matter of urgency to start marking all items that are prone for thefts with Micro-dots and then the items that are less prone. This will not only help us but other law-enforcement agencies to identify our goods. I am positive that when this becomes known we will have a drastic decline in our thefts.
8. Expediting the Second-hand Goods Bill: The Second-hand Goods Bill must be expedited and passed by Parliament this year. The bill contains several measures which will assist in fighting copper cable theft, such as requirements that traders in copper cables (non ferrous metal) have to obtain a license to operate, maintain records and be subject to site inspections by the SAPS. This bill has dragged on for many years and the failure to pass this bill is a key reason why the fight against copper cable theft has not been as effective as it could be.
9. The SAPS needs to reinstate the specialised unit that used to deal with non-ferrous metal theft. The old Truck Theft unit undertook this specialised work. This unit was closed down a few years ago as part of the general move to shut the specialised units and transfer critical skills to station level. Given the nature of copper cable theft, which requires the involvement of organised criminal activity, it is imperative that a specialised unit be set up to focus on these criminal activities as part of the drive to arrest and convict perpetrators. Such a unit could be reporting to the Organised Crime branch in the SAPS. The failure to maintain specialised units within the police is an indictment on the ability to fight crime on a focused manner.
10. A national reward system that provides monetary rewards for information that leads to arrests. Businesses could donate money on an annual basis to make up the reward fund.
11. Backlog of dealer licenses: many dealers in non ferrous metals have applied to the SAPS for licenses in terms of the current Second-hand Goods Act, and have not been issued with their licenses because of delays within the SAPS. This means that many dealers are operating illegally with a receipt from the SAPS which states that the dealer has applied and is waiting for his license. Such interim measures make it impossible to hold dealers to account. The necessary administrative capabilities within the SAPS need to be improved to ensure that all applications for licenses are dealt with within a maximum 3 months period.

Decisive action needs to be taken to deal with the theft of non-ferrous metal. Unless proper steps are taken, the continuing theft of copper cable will continue to undermine economic growth and development in South Africa.