

KIDNAP BRIEFING

MONTHLY



ISSUE 102 | August 2014

TABLE OF CONTENTS

GLOBAL INSIGHT

Worldwide overview	1
Americas	1
Africa	2
Asia	3
Middle East	4
Europe & CIS	5

BRIEF ON LATIN AMERICA

The dynamics of organised crime and kidnapping in Guerrero state	6
Changes in organised crime dynamics	6
Law-enforcement operations	6
Recent victims	7
Outlook for Guerrero state	7

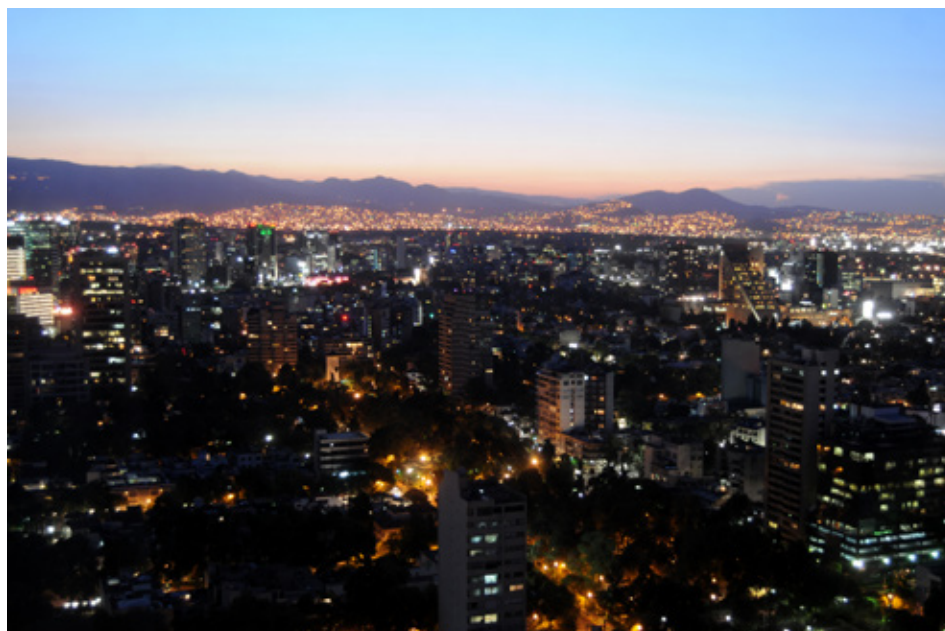
FOCUS ON

Tribal kidnapping in Yemen	8
Kidnapping entrenched in tribal mind-set	8
Complex demands	8
Treatment of kidnapping victims	8
Negotiation process	8
Outlook	9

ABOUT US

Control Risks	10
Hiscox	10

If you would like to provide us with feedback on the Monthly Kidnap Briefing or inform us of your interest in a specific country or theme that you would like us to cover in a subsequent issue, then please write to kr.guernsey@hiscox.com



This is the 102nd issue in a series of kidnap-focused reports prepared by **Control Risks** on behalf of Hiscox. The Monthly Kidnap Briefing is distributed to select clients in order to keep you informed of the trends in kidnapping worldwide and assess the risk of kidnapping to your business.

This issue includes an overview of kidnapping-for-ransom trends worldwide for the first six months of 2014, a brief on the dynamics of organised crime and kidnapping in Guerrero state, Mexico and a focus on tribal kidnapping in Yemen.

Prepared by **Control Risks**

for 
HISCOX

TABLE OF CONTENTS

GLOBAL INSIGHT

Worldwide overview	1
Americas	1
Africa	2
Asia	3
Middle East	4
Europe & CIS	5

BRIEF ON LATIN AMERICA

The dynamics of organised crime and kidnapping in Guerrero state	6
Changes in organised crime dynamics	6
Law-enforcement operations	6
Recent victims	7
Outlook for Guerrero state	7

FOCUS ON

Tribal kidnapping in Yemen	8
Kidnapping entrenched in tribal mind-set	8
Complex demands	8
Treatment of kidnapping victims	8
Negotiation process	8
Outlook	9

ABOUT US

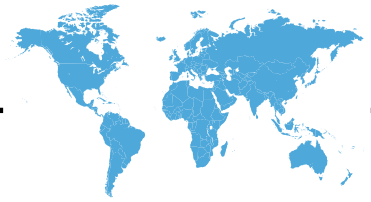
Control Risks	10
Hiscox	10

If you would like to provide us with feedback on the Monthly Kidnap Briefing or inform us of your interest in a specific country or theme that you would like us to cover in a subsequent issue, then please write to kr.guernsey@hiscox.com

GLOBAL INSIGHT



Worldwide overview, first half of 2014



Latin America has thus far experienced 26% of the world's kidnaps in 2014. Mexico remained at the top of Control Risks' rankings and experienced accelerating rates of kidnapping. Brazil also featured among the top ten for the first half of the year, which is more reflective of an increased media appetite for security issues rather than increases in kidnapping. Venezuela, Colombia and Guatemala were all among the world's top 20 countries

Africa recorded 24% of kidnaps worldwide in the first six months of 2014. Nigeria remained the country worst affected by the crime; however, Libya saw a significant increase in kidnapping as a tactic of militant and criminal groups, claiming second place in the regional top ten.

Asia remained the highest risk area in the world for kidnapping-for-ransom in the first half of 2014, with 35% of kidnaps worldwide. Kidnap levels continued to be high in India, Pakistan, the Philippines and Afghanistan, all of which were ranked in Control Risks' top ten for the first half of the year. The number of recorded cases in Bangladesh increased substantially in the first six months of the year, resulting in the country's ascendancy into Control Risks' top ten.

Only 14% of kidnaps occurred in the **Middle East** and Iraq was the only Middle Eastern country to stay in the top ten. Lower levels of kidnaps were reported in Lebanon and Syria but the kidnap risk remained serious in Yemen.

The number of incidents in **North America, the Caribbean, Europe and the CIS** combined made up 1% of kidnaps worldwide. Nevertheless, several cases were recorded in each of the following countries: Spain, Kyrgyzstan, Dominican Republic, Haiti and the US.

Americas



Mexico retained its position at the top of Control Risks' global ranking for kidnapping for the first half of 2014, accounting for 18% of the world's kidnaps. While its global share is the same as for 2013, evidence shows that kidnapping rates in Mexico are accelerating. Absolute numbers of cases recorded by Control Risks have increased by 33% compared to the previous six months and local figures – both official and independent – echo these findings. According to Control Risks' data, the states of Mexico, Tamaulipas, Morelos, Guerrero and the Federal District experienced the majority of incidents; however, the risk of kidnapping is high for the whole of Mexico. The government of Enrique Peña Nieto has continued its attempts to curb kidnapping. In January, the National Anti-Kidnapping Coordination was unveiled and, in June, minimum prison terms for kidnapping were doubled. However, these initiatives are yet to show concrete results, particularly regarding the longer-term strategy of tackling police corruption and collusion with criminals. Law enforcement agents continue to be involved in many kidnaps in Mexico. In addition to kidnaps-for-ransom, express kidnaps continue to be commonplace, especially in the Federal District, and virtual kidnaps are proliferating at a fast pace. The first half of 2014 has seen many incidents of victims being targeted while staying in hotels, resulting in several virtual kidnaps involving foreign nationals. Nevertheless, kidnaps-for-ransom of foreigners remain rare – 96% of kidnap victims were local nationals in the first half of 2014.

TABLE OF CONTENTS

GLOBAL INSIGHT

Worldwide overview	1
Americas	1
Africa	2
Asia	3
Middle East	4
Europe & CIS	5

BRIEF ON LATIN AMERICA

The dynamics of organised crime and kidnapping in Guerrero state	6
Changes in organised crime dynamics	6
Law-enforcement operations	6
Recent victims	7
Outlook for Guerrero state	7

FOCUS ON

Tribal kidnapping in Yemen	8
Kidnapping entrenched in tribal mind-set	8
Complex demands	8
Treatment of kidnapping victims	8
Negotiation process	8
Outlook	9

ABOUT US

Control Risks	10
Hiscox	10

If you would like to provide us with feedback on the Monthly Kidnap Briefing or inform us of your interest in a specific country or theme that you would like us to cover in a subsequent issue, then please write to kr.guernsey@hiscox.com

While **Brazil** was number nine in Control Risks' global ranking for kidnapping – up from 17 in 2013 – the country's risk rating remains MEDIUM. The rise in recorded incidents in the country is likely to be on account of the increased media coverage of security issues as a result of Brazil having held the football (soccer) World Cup in June and July. Nevertheless, kidnapping is a serious problem in Brazil, particularly with regard to express kidnaps, which are especially common in big cities. São Paulo state saw 24% of the country's kidnaps in the first half of 2014. Rio de Janeiro and Santa Catarina states are also high-risk areas within Brazil. All incidents recorded in 2014 lasted a week or less. While local nationals make up the vast bulk of victims, kidnaps against foreign nationals cannot be discounted; in March, an Italian teenager was kidnapped in Rio de Janeiro. The victim was rescued by police.

Kidnapping continues to be a serious issue in **Venezuela**, despite the country falling out of the top ten of Control Risks' global rankings for kidnapping for the first half of 2014. The country saw 6% of Latin America's kidnaps; however, a large number of incidents are not reported to the police, especially short-term kidnaps-for-ransom and express kidnaps, owing primarily to widespread impunity and mistrust of law enforcement agents. According to Control Risks' data, the capital city Caracas was the country's kidnap hotspot, experiencing 22% of incidents. The vast majority of cases (67%) lasted a week or less, though several cases lasting longer than a month were also recorded.

Despite **Colombia's** drop down the Control Risks' global rankings, kidnapping remains a serious problem in the country. According to Control Risks' data, many of the kidnaps-for-ransom recorded in the first half of 2014 took place in rural areas such as Meta and Magdalena departments, with a number of incidents staged in the northern departments of Norte de Santander, which borders Venezuela. Despite this year's progress in the peace negotiations with the government of Juan Manuel Santos, who won re-election in June, kidnaps continue to be perpetuated by guerrilla groups. In addition, kidnapping continues to be a problem in urban areas, particularly in Bogotá, where criminal groups operate.

Africa



The widespread use of kidnapping as a tactic of militant and criminal groups saw **Libya** claim second place in the rankings of African countries worst affected by the crime in the first six months of 2014. Militant groups have increasingly staged kidnaps to extract political concessions from foreign governments. Members of diplomatic staff from Egypt, Jordan and Tunisia were seized in early 2014 with a view to securing the release of militants imprisoned overseas. At the same time, financially motivated criminal activity was also fuelled by the widespread availability of weapons and chronic shortfalls in security provision. The threat to foreign operators from criminal groups remains particularly acute in north-eastern Libya, where incidents involving Indian, Italian, Iraqi, Bangladeshi, Lebanese, US, British and Egyptian nationals have been reported in recent months.

Nigeria continued to record the greatest number of kidnaps in Africa by a significant margin; however, its proportional share of incidents (36%) fell as a result of the rise of kidnapping in Libya. This should not be interpreted as a sign that the threat is diminishing. Criminality continues to flourish in the Niger delta and neighbouring south-eastern states where kidnaps are recorded on a near-daily basis, particularly in the urban hotspots of Port Harcourt, Aba and Benin City. Meanwhile, in north-east Nigeria, units of the armed Islamist sect Boko Haram have increasingly employed kidnapping-for-ransom to fund their operations and publicise their militant campaign. The kidnap on 14 April of 276 girls from a secondary school dormitory in Chibok (Borno state) garnered significant international attention and was followed by several other large-scale abductions of women and children in isolated rural communities of the north-east. Despite Western assistance and a continued military deployment in Borno state, the government has not been able to secure the release of the victims.

TABLE OF CONTENTS

GLOBAL INSIGHT

Worldwide overview	1
Americas	1
Africa	2
Asia	3
Middle East	4
Europe & CIS	5

BRIEF ON LATIN AMERICA

The dynamics of organised crime and kidnapping in Guerrero state	6
Changes in organised crime dynamics	6
Law-enforcement operations	6
Recent victims	7
Outlook for Guerrero state	7

FOCUS ON

Tribal kidnapping in Yemen	8
Kidnapping entrenched in tribal mind-set	8
Complex demands	8
Treatment of kidnapping victims	8
Negotiation process	8
Outlook	9

ABOUT US

Control Risks	10
Hiscox	10

If you would like to provide us with feedback on the Monthly Kidnap Briefing or inform us of your interest in a specific country or theme that you would like us to cover in a subsequent issue, then please write to kr.guernsey@hiscox.com

Although local Nigerians are the most common targets of Boko Haram, the group has also staged four cross-border kidnaps of foreign nationals in northern **Cameroon** in the last eighteen months, including two within the last six months. The kidnap threat for foreign operators in Extreme North region is likely to remain high in the short-to-medium term. Despite the deployment of an elite Cameroonian army unit – the Rapid Intervention Brigade (BIR) – to the area, wholesale improvements in the security environment are unlikely in light of the size of the territory and porous borders.

Islamist militant groups also constituted a persistent threat in the **Sahel region** this year. Five Malian aid workers employed by the International Committee of the Red Cross (ICRC) were abducted from their vehicle on 9 February as they travelled from Kidal to Gao in northern Mali. Regional extremist group the Movement for Unity and Jihad in West Africa (MUJWA) claimed responsibility for the kidnap and allegedly described the five victims as ‘enemies of Islam’. French forces staged a successful rescue on 17 April, demonstrating their counter-terrorism capabilities in the region. Nevertheless, in spite of French military intervention and the presence of a UN peacekeeping force (MINUSMA), Islamist militants in northern Mali retain a clear intent and significant capabilities to target foreign – particularly French – nationals. Militants have developed extensive local networks in recent years and the poorly patrolled national borders afford them freedom of movement. Expatriate workers and business travellers face a persistent kidnapping-for-ransom threat in Gao, Timbuktu, Kidal and Mopti regions, as well as in close proximity to the Mauritanian border.

Sudan saw a significant increase in the number of kidnaps recorded during the first half of 2014. The overwhelming majority of kidnaps took place in the restive Darfur region, where both militias and criminal groups engage in kidnapping-for-ransom as a source of income. Pro-government groups such as the Rapid Support Forces (RSF) have been linked to numerous abductions in recent months, particularly in the vicinity of Nyala (South Darfur state). Local NGO workers and Internally Displaced People (IDPs) are the most common targets, though the release on 13 June of an Indian IT engineer kidnapped in March served as a recent reminder that kidnapping also poses a significant threat to foreign personnel operating in the region.

Kidnapping rates in **Mozambique** stabilised in the first half of 2014 after a spike of criminal activity during late 2013. Asian-Mozambicans remain the demographic worst affected by kidnapping-for-ransom, though at least three Portuguese nationals were also kidnapped in the period since January. Cosmetic changes to legislation have failed to have a significant impact on the kidnapping-for-ransom threat; a weak judiciary and widespread corruption in Mozambican law enforcement agencies continue to provide a permissive environment for criminality. Nevertheless, the targeting of short-term visitors to Mozambique (including business travellers and tourists) has not become a trend and is unlikely to become one in the short-to-medium term.

Asia



Asia dominated the Control Risks’ top ten kidnapping countries in the first half of 2014 with India, Pakistan, Bangladesh, Afghanistan and the Philippines all featuring. However, Control Risks noted a decrease in the number of incidents in Malaysia, which fell outside the top 20.

India remained the highest risk country in Asia in the first half of 2014 with 12% of kidnaps recorded globally by Control Risks. The crime was geographically widespread, with most incidents occurring in Maharashtra state (12% of kidnaps recorded in India) followed by West Bengal state and Assam state (9% each). Company employees were targeted most frequently (32%) marking a change in kidnappers’ targeting methodologies from defendants (24%). Businesspeople also accounted for a high proportion (27%) of victims.

Kidnapping in **Pakistan** remained a largely criminal problem, though militants continued to use the tactic sparingly. The Federal Capital territory of Islamabad remained the lowest

TABLE OF CONTENTS

GLOBAL INSIGHT

Worldwide overview	1
Americas	1
Africa	2
Asia	3
Middle East	4
Europe & CIS	5

BRIEF ON LATIN AMERICA

The dynamics of organised crime and kidnapping in Guerrero state	6
Changes in organised crime dynamics	6
Law-enforcement operations	6
Recent victims	7
Outlook for Guerrero state	7

FOCUS ON

Tribal kidnapping in Yemen	8
Kidnapping entrenched in tribal mind-set	8
Complex demands	8
Treatment of kidnapping victims	8
Negotiation process	8
Outlook	9

ABOUT US

Control Risks	10
Hiscox	10

If you would like to provide us with feedback on the Monthly Kidnap Briefing or inform us of your interest in a specific country or theme that you would like us to cover in a subsequent issue, then please write to kr.guernsey@hiscox.com

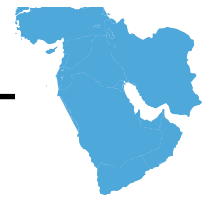
risk area for the crime with only 3% of recorded kidnaps countrywide. High risk areas were Khyber Pakhtunkhwa province (25%) followed by Sindh and Punjab provinces (24% each). Foreign nationals remain at high risk despite a relatively small number of incidents; foreign nationals accounted for only 3% of victims in the first half of 2014.

Kidnapping rates in **Bangladesh** increased substantially in the first half of 2014, forcing the country up to number seven in the Control Risks top ten. It is unclear whether the increase is the result of more attentive media coverage of the crime, or an uptick in criminal activity. The kidnap risk is two-fold: pirates pose a threat to fishermen and those who travel with them in the Bay of Bengal, while criminals also carry out kidnaps for financial gain on land.

Kidnaps by both criminals and militants kept **Afghanistan** inside the top ten for the first half of 2014. Control Risks recorded kidnaps in 18 of the 34 provinces. Nangarhar was the highest risk area with 16% of recorded kidnaps followed by Farah and Herat with 11% of kidnaps each. Foreign nationals remain coveted targets despite the fact that only 1% of victims recorded by Control Risks were actually foreign. Aid workers were commonly targeted (24% of recorded victims), especially those whose employment necessitated being out in the field.

The **Philippines** was at number ten in Control Risks' list of high risk areas for the first half of 2014. Militant groups dominated the threat in the south of the country while criminals continued to use the tactic elsewhere. According to Control Risks' records, there were more incidents in Metro Manila and Sulu provinces (16% each) than any other provinces. Foreign nationals remain at risk, including outside of the troubled south. Militant groups based in the south of the Philippines also increased their activity on the eastern coast of Sabah, Malaysia in the first half of 2014, launching several attacks on local businesses and tourist resorts.

Middle East



The Middle East accounted for 14% of global kidnaps in the first half of 2014. While Iraq maintained a spot in the top ten, Yemen, Lebanon and Syria all featured in the top 20 at 12, 14 and 19 respectively. Numbers of kidnaps in **Syria** were 52% lower than for the same period in 2013. The decrease is likely a result of the fact that foreign journalists, who constituted the majority of foreign victims, have largely ceased travelling to Syria because of the EXTREME kidnap risk and media coverage of events in Syria, including of kidnap incidents, has waned in general in recent months. The Syrian conflict continued to affect kidnapping rates in **Lebanon**, particularly in the border governorate of Bekaa where Syrian militants reportedly carried out several high-profile cross-border kidnaps.

Kidnapping rates in **Iraq** increased substantially in Salahaddin, Kirkuk and Nineveh governorates following the Islamic State of Iraq and Syria (ISIS) offensives in June. Foreign nationals were, unusually, among the victims of several large scale abductions. ISIS is known to deliberately seek out foreign nationals they perceive to be high-value. Kidnapping remained a significant risk outside of ISIS-controlled areas too. Control Risks' records indicate that 16% of incidents occurred in Baghdad, while a further 8% occurred in Basra governorate.

Tribes continued to use kidnapping as a tactic in **Yemen**. The capital Sanaa was the highest risk area, particularly for foreign nationals, and accounted for 38% of all recorded incidents in the country. Marib governorate also ranked highly with 23% of incidents. Foreigners accounted for 30% of victims according to Control Risks' records for the first half of 2014. However, kidnaps of local nationals are largely under-reported in the media and to authorities. Several foreign nationals who were kidnapped from Sanaa in the early part of 2014 remain in captivity, leading to speculation over the involvement of militant group al-Qaida in the Arabian Peninsula (AQAP).

TABLE OF CONTENTS

GLOBAL INSIGHT

Worldwide overview	1
Americas	1
Africa	2
Asia	3
Middle East	4
Europe & CIS	5

BRIEF ON LATIN AMERICA

The dynamics of organised crime and kidnapping in Guerrero state	6
Changes in organised crime dynamics	6
Law-enforcement operations	6
Recent victims	7
Outlook for Guerrero state	7

FOCUS ON

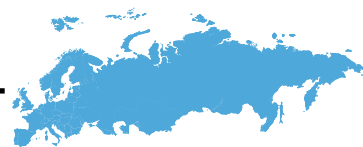
Tribal kidnapping in Yemen	8
Kidnapping entrenched in tribal mind-set	8
Complex demands	8
Treatment of kidnapping victims	8
Negotiation process	8
Outlook	9

ABOUT US

Control Risks	10
Hiscox	10

If you would like to provide us with feedback on the Monthly Kidnap Briefing or inform us of your interest in a specific country or theme that you would like us to cover in a subsequent issue, then please write to kr.guernsey@hiscox.com

Europe & CIS



Europe remained a low-risk area for kidnapping-for-ransom. **Spain** continues to see relatively high rate of kidnaps-for-ransom within the European context. In January members of the Spanish Civil Guard rescued a small business owner who had been kidnapped in the north-western Galicia region. The kidnappers had demanded a ransom payment of €70,000 (US\$95,000) from the victim's family against a threat to injure or kill the victim. Despite sporadic reports of incidents in Spain, the threat is relatively low by global standards and our kidnapping risk rating remains LOW.

Control Risks recorded a small number of kidnaps in **Kyrgyzstan** and **Tajikistan** during the first half of the year. Kidnaps in the Central Asian republics are rarely reported but those that are often involve defendants and are carried out for financial ransoms. Kidnaps of foreign nationals are rare but do occur. A 27-year-old man from Kazakhstan was kidnapped in Bishkek (Chuy province, Tajikistan) on 28 April 2014. The kidnappers demanded \$30,000 from his family. The victim's brother alerted the police on 1 May and they managed to locate him at a house in a residential area later that day. The victim was found chained to a radiator. Two suspects were arrested.

TABLE OF CONTENTS

GLOBAL INSIGHT

Worldwide overview	1
Americas	1
Africa	2
Asia	3
Middle East	4
Europe & CIS	5

BRIEF ON LATIN AMERICA

The dynamics of organised crime and kidnapping in Guerrero state 6

Changes in organised crime dynamics 6

Law-enforcement operations 6

Recent victims 7

Outlook for Guerrero state 7

FOCUS ON

Tribal kidnapping in Yemen 8

Kidnapping entrenched in tribal mind-set 8

Complex demands 8

Treatment of kidnapping victims 8

Negotiation process 8

Outlook 9

ABOUT US

Control Risks 10

Hiscox 10

If you would like to provide us with feedback on the Monthly Kidnap Briefing or inform us of your interest in a specific country or theme that you would like us to cover in a subsequent issue, then please write to kr.guernsey@hiscox.com

BRIEF ON LATIN AMERICA



THE DYNAMICS OF ORGANISED CRIME AND KIDNAPPING IN GUERRERO STATE

Guerrero state is a high-risk area for kidnapping-for-ransom. Located along strategically important drug-trafficking routes on Mexico's Pacific coast, the state has been a traditional battleground among Mexico's organised crime groups (OCGs). In recent years, the Beltrán Leyva Organisation (BLO), which is aligned to Los Zetas, has had the strongest presence of any group in the territory.

Guerrero accounted for an average of 4% of kidnaps-for-ransom in Mexico between 2009 and 2013, making it the state with the ninth-highest number of kidnaps in the country. In the first six months of 2014, however, there was a dramatic increase, with Guerrero recording the fifth-highest number of kidnaps in the country. Control Risks recorded more incidents in Guerrero in the first half of 2014 than during the whole of 2013.

CHANGES IN ORGANISED CRIME DYNAMICS

Although Guerrero has long been a BLO stronghold, there has been an influx of other large OCGs over the past 18 months, which have now begun to compete with more established groups. The newest groups to the state include La Familia Michoacana, the Knights Templar and the New Generation Jalisco Cartel. They are likely to have migrated as a result of developments in Michoacán state, where OCGs have recently come under pressure from federal armed forces and self-defence groups.

In addition to pressure from large OCGs, the BLO has undergone a process of weakening and dividing in recent years, giving rise to a number of smaller criminal groups in different parts of Guerrero. Such groups include Los Rojos, the Independent Cartel of Acapulco, the Hands with Eyes and the South Pacific Cartel – all BLO offshoots – and are emblematic of the modern gangs that have been responsible for the rise in kidnapping rates in Mexico in recent years. Lacking the financial and military power of larger OCGs, smaller groups are unable to reap the financial benefits of the drug trade and have been forced to diversify their activities. Kidnapping and extortion have become their primary sources of income.

None of these groups – whether large or small – has been able to establish a hegemonic grip over the state's criminal landscape. This has heightened tensions between warring factions and fuelled inter-cartel violence, including kidnapping.

LAW-ENFORCEMENT OPERATIONS

Although an evolution in organised crime dynamics helps to explain the background to the current security situation in Guerrero, it does not account for the dramatic increase in kidnapping cases in the past three months. Regarding this more recent situation, it is clear that the strategies of federal and local law-enforcement agencies are compounding the already volatile situation among criminal groups.

In response to rising levels of criminal activity in the state, the authorities have launched operations aimed at curbing the power of Guerrero's criminal gangs. One such operation, which was launched in March, aimed at tackling the rise of Los Rojos, saw the arrests in April of the gang's first and second-in-command, Antonio Reina Castillo and Ismael Castillo Marino. Although the arrests undoubtedly provided a public relations boost for federal and local politicians alike, their effect on the security situation was remarkable. Firstly, efforts to fill the power vacuum left by the arrests led to 20 murders and the disappearance of 15 taxi drivers in the state capital Chilpancingo, pointing to power struggles within Los Rojos and the purging of rival elements. The murders may also have reflected efforts by other criminal groups to appropriate the influence and territory left vacant by a weakened Los Rojos. Secondly, the arrests are likely to have caused a further splintering of Los Rojos, resulting

TABLE OF CONTENTS

GLOBAL INSIGHT

Worldwide overview	1
Americas	1
Africa	2
Asia	3
Middle East	4
Europe & CIS	5

BRIEF ON LATIN AMERICA

The dynamics of organised crime and kidnapping in Guerrero state	6
Changes in organised crime dynamics	6
Law-enforcement operations	6
Recent victims	7
Outlook for Guerrero state	7

FOCUS ON

Tribal kidnapping in Yemen	8
Kidnapping entrenched in tribal mind-set	8
Complex demands	8
Treatment of kidnapping victims	8
Negotiation process	8
Outlook	9

ABOUT US

Control Risks	10
Hiscox	10

If you would like to provide us with feedback on the Monthly Kidnap Briefing or inform us of your interest in a specific country or theme that you would like us to cover in a subsequent issue, then please write to kr.guernsey@hiscox.com

in the creation of another handful of criminal gangs that rely on kidnapping as their main source of income. The dramatic increase in kidnapping may reflect this.

RECENT VICTIMS

Many of those targeted in recent kidnapping cases have been local politicians and employees of public institutions. High profile cases have included the abduction on 6 May of a Guerrero state legislator from a casino in Chilpancingo and the kidnapping on 7 June of the leader of the San Miguel Totolpán wing of the Partido Revolucionario Institucional (Institutional Revolutionary Party – PRI). In the first incident, the victim was released apparently without a ransom being paid, while in the second incident the victim's family reportedly paid a ransom, but the victim's body was found some days later. While these cases reflect the fairly typical modus operandi of financially motivated kidnaps, the fact that a sizable portion of recent victims in Guerrero have been linked to public office or institutions may point to efforts by criminal groups to influence state institutions, elements of which may be involved in criminal activities.

In addition to kidnapping-for-ransom, both express and virtual kidnaps have also been recorded in Guerrero in recent months. Express kidnaps typically involve the abduction of a victim who is forced, under threat of violence or death, to withdraw funds from an ATM. One such case took place in Acapulco on 11 April involving a Peruvian businessman and provides an example of the risks to which foreign nationals may be exposed in urban areas of the state.

OUTLOOK FOR GUERRERO STATE

In considering the longer-term outlook for kidnapping in Guerrero, the dynamics both within and between criminal groups will have a bearing on the situation. While stronger groups will be better placed to continue to conduct kidnaps and extortions, weaker groups are more likely to splinter, perpetuating a cycle that sees the creation of more and more rival groups competing over a limited number of businesses to target.

Where inter-cartel dynamics are concerned, if one group is able to establish a hegemonic grip over the state, this is likely to provide a measure of stability in terms of the security situation. However, the process of establishing control would likely entail a significant amount of inter-gang fighting and collateral criminal activity. The future security situation in Guerrero is also likely to depend on whether Mexico's security services continue to tackle criminal groups at the highest levels. As has been the case in so many locations across the country, power vacuums resulting from high-level arrests are most likely to spark more kidnapping rather than ease the situation.

Although the recent upsurge in kidnaps is unlikely to persist for sustained period, current conditions in the state suggest that the situation is likely to deteriorate before it gets better.



TABLE OF CONTENTS

GLOBAL INSIGHT

Worldwide overview	1
Americas	1
Africa	2
Asia	3
Middle East	4
Europe & CIS	5

BRIEF ON LATIN AMERICA

The dynamics of organised crime and kidnapping in Guerrero state	6
Changes in organised crime dynamics	6
Law-enforcement operations	6
Recent victims	7
Outlook for Guerrero state	7

FOCUS ON

Tribal kidnapping in Yemen	8
Kidnapping entrenched in tribal mind-set	8
Complex demands	8
Treatment of kidnapping victims	8
Negotiation process	8
Outlook	9

ABOUT US

Control Risks	10
Hiscox	10

If you would like to provide us with feedback on the Monthly Kidnap Briefing or inform us of your interest in a specific country or theme that you would like us to cover in a subsequent issue, then please write to kr.guernsey@hiscox.com

FOCUS ON

TRIBAL KIDNAPPING IN YEMEN

In the first half of 2014, Yemen was ranked second on Control Risks' list of countries where foreigners were most frequently kidnapped. The lifecycle of a kidnap in Yemen has different characteristics to that in other locations because of the strong tribal dynamic, and organisations can find themselves in unfamiliar territory when trying to resolve such incidents.

KIDNAPPING ENTRENCHED IN TRIBAL MIND-SET

Kidnapping is firmly entrenched in the mind-set of Yemeni tribes as an efficient means of forcing a desired outcome. Historically, the tactic was used in the time of the Imamate (c.867 – 1962), when Imams would kidnap the sons of influential sheikhs (tribal leaders) to ensure their loyalty. Tribes now use kidnapping as a tactic to force the government to negotiate on issues that might otherwise be left unaddressed. Foreign nationals are perceived as particularly high-value targets in this regard, but tribes also deliberately seek out local nationals who work in lucrative sectors, such as the oil and gas sector, to add weight to the negotiations. Evidence of the success that kidnapping has brought in terms of negotiating settlements has led more and more tribes to adopt the tactic.

COMPLEX DEMANDS

Tribes rarely carry out kidnaps in Yemen with the sole purpose of making money. The motivations often stem from long-running grievances that the tribe holds against the government. Demands can cover a range of issues, including the release of imprisoned relatives, requests for employment, the reacquisition of land and compensation for perceived wrongs, such as loss of earnings after the termination of a government contract or military action resulting in loss of life. The nature of these demands necessitates close co-operation with the government, and the Yemeni authorities in general are content to negotiate such matters with tribes.

TREATMENT OF KIDNAPPING VICTIMS

Tribes usually treat their victims as guests. As long as they are holding people under their protection, to treat them poorly would bring great shame on the tribe. Victims are therefore unlikely to be beaten, will be adequately fed (within the tribe's means), and have access to water and toilet facilities for the duration of their captivity.

NEGOTIATION PROCESS

The standard method of conflict resolution among tribes for a kidnap is arbitration, depending on the severity of the incident. The Yemeni government acknowledges the tribal system and engages with it to resolve serious issues such as kidnapping.

The negotiation process is lengthy, and victims are often held in captivity for around two-to-three weeks. The process normally begins with both parties submitting their weapons or valuables to a neutral arbitrator as a sign that they are engaged in the process. The arbitration gathering takes place in a 'safe-haven' where violence is forbidden. The gathering will begin with a discussion on general matters and is often fuelled by the chewing of khat, a mildly narcotic plant that is popular in Yemen. The conversation eventually moves on to the tribe's demands and suggested concessions. In the evening, the group disperses to discuss the matter with their families. At this point, the arbitrators may seek the views of female family members, who are barred from the arbitration gathering. The process continues for several days until a mutually acceptable agreement is reached. Delays can occur as kidnapers submit new demands or if the government is particularly robust on a certain issue.

TABLE OF CONTENTS

GLOBAL INSIGHT

Worldwide overview	1
Americas	1
Africa	2
Asia	3
Middle East	4
Europe & CIS	5

BRIEF ON LATIN AMERICA

The dynamics of organised crime and kidnapping in Guerrero state	6
Changes in organised crime dynamics	6
Law-enforcement operations	6
Recent victims	7
Outlook for Guerrero state	7

FOCUS ON

Tribal kidnapping in Yemen	8
Kidnapping entrenched in tribal mind-set	8
Complex demands	8
Treatment of kidnapping victims	8
Negotiation process	8
Outlook	9

ABOUT US

Control Risks	10
Hiscox	10

If you would like to provide us with feedback on the Monthly Kidnap Briefing or inform us of your interest in a specific country or theme that you would like us to cover in a subsequent issue, then please write to kr.guernsey@hiscox.com

OUTLOOK

Tribes will continue to use kidnapping as a tactic in disputes with the government because it consistently leads to acceptable resolutions. Tribes deem foreign nationals to be high-value targets whose kidnap is likely to bring about a speedier resolution owing to international pressure on the Yemeni government to resolve the incident. They will therefore continue to seek them out for kidnapping, particularly in the Hadda district of the capital Sanaa, where foreign nationals are known to congregate. When it is not possible to kidnap foreign nationals, tribes will continue to use roadblocks on major roads out of the capital to 'cherry pick' the highest-value targets available. This means that local nationals working in sectors that tribes perceive to be lucrative, such as the oil and gas sector, will be deliberately targeted.

TABLE OF CONTENTS

GLOBAL INSIGHT

Worldwide overview	1
Americas	1
Africa	2
Asia	3
Middle East	4
Europe & CIS	5

BRIEF ON LATIN AMERICA

The dynamics of organised crime and kidnapping in Guerrero state	6
Changes in organised crime dynamics	6
Law-enforcement operations	6
Recent victims	7
Outlook for Guerrero state	7

FOCUS ON

Tribal kidnapping in Yemen	8
Kidnapping entrenched in tribal mind-set	8
Complex demands	8
Treatment of kidnapping victims	8
Negotiation process	8
Outlook	9

ABOUT US

Control Risks	10
Hiscox	10

If you would like to provide us with feedback on the Monthly Kidnap Briefing or inform us of your interest in a specific country or theme that you would like us to cover in a subsequent issue, then please write to kr.guernsey@hiscox.com

ABOUT US



Control Risks' services are exclusively retained by Hiscox. In the event of a kidnap, detention or extortion incident covered by Hiscox, clients will benefit from Control Risks' services as part of their insurance policy.

CONTROL RISKS

Control Risks is a leading international business risk consultancy. It offers a range of integrated political risk, investigative, security and crisis management services to corporate, government and private clients worldwide.

Since its foundation in 1975, Control Risks has advised clients on the resolution of 2,569 kidnap and extortion cases in 128 different countries, with 46,676 person-days aggregate duration. Cases have ranged from traditional kidnaps-for-ransom, express kidnaps, hostage takings, ship and aircraft hijacks to political detentions, product extortion and contamination and other threat extortions. Control Risks has a full-time team of Response Consultants, available for immediate deployment in response to a crisis anywhere in the world. Response Consultants will advise on negotiation strategies and on how to manage the various interests of the victim, family, employers, the media, the government and local law enforcement agencies.

The Response Division has its own dedicated team of research analysts. As well as supporting consultants deployed on cases, they maintain the International Kidnap Online Service (IKOS) which follows the trends in kidnapping worldwide and allows clients to assess the risk to their business. In addition to IKOS, Response Research produces commissioned kidnap and extortion analysis of any country or sector. If you are interested in any of these services, please write to response_research@controlrisks.com

For more information about Control Risks, please visit our website at www.controlrisks.com

HISCOX

Hiscox is the world's largest provider of specialist kidnap, detention and extortion insurance, with a market share of 60-70% by premium income. We cover companies and individuals against all forms of extortion and can protect your assets from illegal demands and the consequential associated expenses.

Our clients include multinational companies operating in high risk regions of the world, key executives working in commercially sensitive positions and individuals whose wealth or fame may attract the attention of criminals.

Hiscox kidnap and ransom underwriters are the most experienced in the field. Our knowledge of the sector enables us to make quick decisions on cover, no matter how unusual the request. We are highly skilled in handling what may be a very difficult and sensitive emergency. Our specialist policies can be tailored to suit individual needs and circumstances.

We have underwriting teams based in Guernsey, Paris, Cologne, New York, Chicago, Los Angeles and at Lloyd's of London.

For further information, please contact us at kr.guernsey@hiscox.com