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XL CATLIN

Global Kidnap Bulletin

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Kidnap for Ransom in Brief

1. United States

On 7 December 2015, two students from the University of Rochester were kidnapped by six assailants in New York. According to reports, the students were lured into the kidnappers' vehicle on the false premise of attending a party. The victims were held at gunpoint for 40 hours in a house in Upstate New York, and while there, were beaten with fists, clubs and other objects. One of the victims was also shot in the leg. Although no ransom was reportedly demanded, the victims were forced to hand over their money, credit cards and pin numbers to their captors. The students were freed in a Special Weapons Attack Team (SWAT) operation. All six suspects were subsequently arrested on kidnapping charges.

2. United States

In November 2015, the San Bernardino Sheriff's Department in California reported an uptick in virtual kidnapping incidents in the city. Residents of several communities reported they had received phone calls from unknown suspects, claiming their child had been abducted. The suspects reportedly threatened to harm or kill the child if the victim did not cooperate with their demands. Several victims informed deputies that, during the call, the suspects utilised a child as a decoy, having the youth cry and beg for help over the phone. The suspects further ordered the victims to remain on the phone, proceed directly to the bank and withdraw a relatively small ransom. Victims reported that they were kept on the phone throughout the incident to prevent them from calling authorities.

3. Colombia

On 17 November, Colombia's second largest rebel group, the National Liberation Army (ELN), released two soldiers it had kidnapped three weeks earlier. The soldiers were seized during a rebel ambush on 28 October in which 11 soldiers and a police official were killed. The rebels handed the hostages over to a delegation of the Red Cross and the Catholic Church in Arauca province. The hostage release comes as the ELN and Colombian government engage in informal "*exploratory talks*" with a view to entering peace talks. However, given that the rebel group has not been invited to participate in official peace talks as yet, further instances of kidnapping are likely. The group's strongholds include Arauca, Nariño and Norte de Santander.

4. El Salvador

In early December, the government released statistics showing a 74 percent increase in homicides in El Salvador from 2014 to 2015. According to the data, there were 5,819 murders across the country between January and November 2015, compared to 3,340 for the same period in 2014. Authorities have cited gang violence, principally driven by the ongoing war between 'Barrio 18' and 'Mara Salvatrucha' (MS-13), as the driver of the country's extreme homicide rates. In response to this increase, the government has increased pressure on El Salvador's gangs in recent months. For example, in August 2015, the country's Supreme Court designated Barrio 18 and MS-13 terrorist organisations, effectively paving the way for further militarisation of domestic policing. However, military operations are likely to be undermined by gang infiltration into the army; between January and September 2015, 223 soldiers were dismissed from the army on suspicion of gang affiliation.

5. China

On 10 November 2015, a Chinese billionaire from Yibin city in Sichuan province was kidnapped from a residential building. His captors forced him to kill a woman who was abducted from a local massage parlour. The murder was recorded on video, which the kidnappers used to blackmail the billionaire. Believing that the victim would not seek the authorities, his captors released him after a few days to collect CNY 100 million (USD 156 million) in ransom. However, the victim contacted local security forces, who subsequently arrested the four assailants.

6. Equatorial Guinea

South African national, Daniel Janse van Rensburg, is seeking financial compensation from the government of Equatorial Guinea, claiming he was wrongfully detained despite being cleared of criminal charges by a local court. Janse van Rensberg had been accused of defrauding a prominent Equatorial Guinean businessman of USD 66,000 during a business deal. Although being cleared of any wrongdoing, Janse van Rensburg was jailed for 423 days at Black Beach prison in Malabo and was kept under house arrest in the country for a further 126 days prior to being released in September. Initial reports had claimed Janse van Rensburg had been kidnapped. The victim is seeking approximately USD 5 million in compensation.
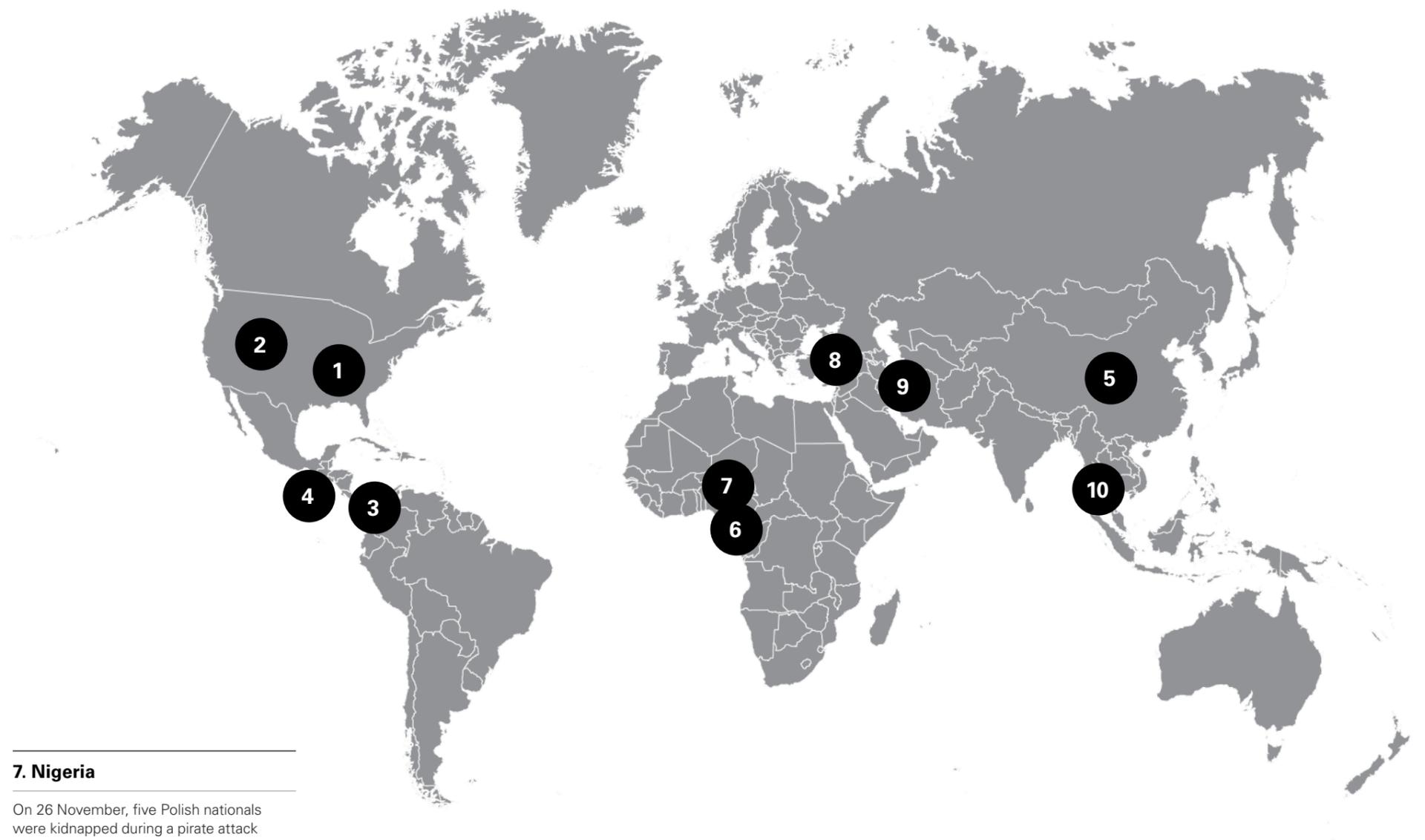
7. Nigeria

On 26 November, five Polish nationals were kidnapped during a pirate attack off the coast of Nigeria. Pirates targeted the Szafir, a Cyprus-registered ship en route from Antwerp to the Nigerian port of Onne. The remaining 11 crewmen escaped and the vessel was not seized in the attack. Although the hostages were released unharmed on 8 December, it remains unconfirmed whether a ransom was paid to secure their freedom. The incident marks a concerning trend in the kidnapping threat off the coast of Nigeria. While piracy has been on the rise in the Gulf of Guinea since 2012, the majority of previous incidents equated to cargo theft or fuel siphoning. Yet, as the vessel and cargo were not seized during this latest attack and the kidnapped crew members were taken ashore, it is clear the motive was kidnap for ransom. Piracy off the coast of Nigeria is becoming increasingly sophisticated with the growth of mobile technology, making further organised kidnap for ransom attacks likely in the long term.

8. Syria

On 1 December, the Al Qaeda-aligned militant group, Jabhat Al Nusra (JAN), conducted a prisoner swap with the Lebanese military in the town of Wadi Hamid, on the Syria-Lebanon border. JAN reportedly released 16 Lebanese soldiers and police officers who had been seized by the group during an assault on the Lebanese border town of Arsal in August 2014. In exchange, the Lebanese security forces released 13 Islamist militants, including the ex-wife of the Islamic State (IS) militant group's leader, Abu Bakr Al Baghdadi. The exchange was facilitated by Qatar, which has been reported as having links to JAN. At least nine soldiers who were also captured during the attack on Arsal are now believed to be in the custody of IS. The Lebanese government has stated its willingness to negotiate with the group to secure their release.

9. Iraq

On 22 October, a combined operation by US special forces and Kurdish troops in Hawija, northern Iraq, resulted in the successful rescue of 69 hostages who were being held by the Islamic State (IS) militant group. The operation was reportedly launched after US officials received intelligence indicating that the hostages were about to be executed. Five US helicopters carrying the Kurdish and US forces were subsequently launched from Erbil, landing on the outskirts of Hawija during the early hours of the morning. Amongst the group of rescued hostages were at least 20 Iraqi security force personnel in addition to a number of local civilians. Furthermore, some of the hostages were reportedly former IS members who the group suspected of being spies.

10. Thailand

On 30 November 2015, an Australian national was kidnapped outside of his home in Pattaya. The incident took place in the Jomtien Park Villas housing estate in the city's Bang Lamung district. He was found dead on 1 December 2015, in Sattahip district, south of Pattaya. The victim was a former member of Hells Angels, an organised crime syndicate. Authorities believe that five people were involved in the incident, including an Australian national. The motive for the incident has been attributed to a personal dispute. The kidnapping of foreigners, especially Westerners, is rare in Thailand, as it is more likely that individuals with connections to illicit activities or criminal groups will be targeted.

High-Risk Humanitarians:
The Kidnapping of Aid Workers in Sub-Saharan Africa

International aid agencies operating in hostile environments in Africa will need to navigate the complex nexus between humanitarianism and their own personal security as statistics suggest that the number of kidnappings targeting aid workers in sub-Saharan Africa is on the rise, **writes Gabrielle Reid**

According to the latest available statistics, the cumulative number of days spent in captivity by kidnapped aid workers in **2012 reached 2,000**, up from **700 days in 2000.**

Throughout sub-Saharan Africa in 2015 alone, there have been 31 reported incidents of kidnappings involving aid workers. This figure represents 54 percent of aid worker kidnappings recorded globally. According to the Aid Worker Security Database (AWSD), an arm of the Humanitarian Outcomes consultancy, while the number of major attacks against aid workers has declined since 2013, the number of targeted kidnappings in sub-Saharan Africa has been on the rise, with 20 and 37 cases reported in 2013 and 2014

respectively. Moreover, in 2014 and 2015, kidnappings surpassed shootings as the most common means of violence affecting aid workers globally. Within sub-Saharan Africa, the Central African Republic (CAR) and South Sudan are among the top five countries with the highest number of recorded attacks. The Democratic Republic of Congo also remains a challenging operating environment for aid workers.

The CAR has been in a protracted state of conflict since March 2013 following

the overthrow of former President François Bozizé by a rebel alliance known as 'Séléka' and the subsequent fighting between former Séléka militants and community-based Christian militias known as anti-Balaka. Despite interventions by the international community and the formation of an interim government, fighting has continued. Rebels, bandits and criminal gangs have used kidnappings to fund their operations as well as garner political leverage in the ongoing conflict. With a very limited foreign personnel

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presence in the country outside of foreign peacekeeping forces, aid workers have become highly sought after targets. However, without an established political agenda, structure or chain of command, the Séléka and anti-Balaka militias have become increasingly disorganised and violent. Of the five kidnapping incidents involving aid workers reported in the CAR since 2013, three of the local victims are thought to have been killed within days of being captured. In one high-profile case in January 2015, a French national employed by a local charity, together with a local colleague, was abducted by gunmen belonging to an anti-Balaka militia in the northern outskirts of the capital, Bangui. The group demanded the release of their leader, Rodrigue Nagibona, who had been arrested by United Nations (UN) peacekeepers. The foreign national was released unharmed following three days in captivity without Nagibona's release. It has not been publically disclosed whether a ransom was paid to secure her freedom.

In an unrelenting catch 22, aid workers continue to face the highest risks to their personal safety in areas they are most needed.

South Sudan offers an equally challenging environment for aid workers given the country's civil war which has pitted rebels aligned with former Vice President Riek Machar against government forces loyal to South Sudanese President Salva Kiir since December 2013. Although only three kidnapping incidents were recorded in 2014 and the first half of 2015, these attacks have also proven deadly with those responsible seeking to commandeer cargo transported by aid workers rather than garner high ransom payments for their victims. In an unprecedented incident

in March 2014, rebels demanded USD 1 million to secure the release of a Kenyan pilot working for an international aid organisation who had been kidnapped in Nasir, Upper Nile state. Although the number of reported incidents in South Sudan appears low, aid agencies have evacuated their foreign personnel on a number of occasions during worsening periods of the conflict, most recently in May 2015. Thus, rather than indicating a decline in risk, these numbers reflect a decline in opportunity.

Kidnappings involving aid workers in the DRC's eastern Kivu provinces are more characteristic of traditional incidents. Militants from various rebel groups conduct both politically and criminally-motivated attacks, as kidnappings have long provided a revenue source for non-state actors in the protracted conflict. In a recent incident reflective of this trend, 16 aid workers were abducted by gunmen in Katwiguru, 120km outside of North Kivu's provincial capital, Goma, in November 2015. Although the individuals were released in a military operation 24 hours later, there remains much speculation that a ransom was paid to secure their release.

In an unrelenting catch 22, aid workers continue to face the highest risks to their personal safety in areas they are most needed. In light of the elevated kidnapping risk in conflict-affected environments, aid agencies have had to become increasingly strategic in their approach to delivering aid on the continent. Personnel now receive hostile environment training, for example, and frequently purchase kidnapping-related policies. Many international aid agencies have also chosen to reduce their foreign presence in the field, relying increasingly on local partnerships to ensure the continuation of aid programmes while reducing the risk faced by their employees. South Sudan offers a case in point where agencies, having returned to the country following the initial outbreak of violence in 2013/2014, rely increasingly on mobile deliveries and air lifts, locating the majority of foreign staff in satellite offices in the capital.

Yet far from reducing their liability, these strategies have resulted in an increase

in kidnappings targeting local nationals employed by international organisations. While relocating foreign staff across the border or outside of conflict zones has reduced the opportunity for attacks, it has not completely reduced the risk. On the contrary, with fewer foreign nationals in the field, those aid workers still operating in hostile environments face a greater risk and are now seen as increasingly valuable targets. This has led to both higher ransom demands and extended periods in captivity. According to the latest available statistics, the cumulative number of days spent in captivity by kidnapped aid workers in 2012 reached 2,000, up from 700 days in 2000. Furthermore, by passing the risk on to local entities, who are often less capable of responding to kidnappings, community relations risk being tarnished.

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The kidnapping risk to aid workers in Sub-Saharan Africa is likely to persist, suggesting that aid agencies will need to navigate the complex nexus between humanitarianism and their own personal security. While in-house training and remote management can reduce the opportunities for attack, aid agencies are ultimately unable to rely on the domestic government for assistance given their own respective turmoil and ineffectiveness in times of crisis. Third party agencies will remain necessary players in terms of ransom payments and negotiations if aid agencies wish to continue to provide aid to those that may need it most.

Mexico

Cartel Cash Cow:
'Oil milking' in Mexico

Foreign companies investing in Mexico's recently privatised oil and gas sector are prime targets for cartel oil theft, **writes Lloyd Belton**

Oil theft is a growing problem in Mexico and is an increasingly important revenue stream for the country's drug cartels. Between 2013 and 2014 alone, oil theft incidents reportedly increased by 44 percent whilst since 2000, they increased by more than 2,700 percent. A report published by Pemex, the Mexican state-owned oil company, in September 2015, estimated that it loses approximately 27,000 barrels of oil a day to 'oil milking', as it is referred to locally. Financially, this equates to a loss of USD 2.9 million every day. In response to these increases, the government announced enhanced security measures to combat oil theft in February 2015, including an increase in security personnel around vulnerable sections of oil pipelines and a decision to stop transporting fully refined fuel that criminals can easily sell in the black market. Although statistics on oil theft in 2015 have yet to be released, all indications suggest that the government's new strategy is failing.

Over the last decade, inter-cartel warfare and state security operations against cartels have resulted in the fracturing of many large cartels, and in turn, greater competition for lucrative drug-trafficking routes between South America and the US. Along with kidnapping, extortion, and illegal mining, oil theft is an increasingly important revenue stream for Mexico's drug cartels, particularly factions of the Knights Templar, Los Zetas and the Gulf Cartel. In the most-affected states of Tamaulipas, Guanajuato, Sinaloa, and Jalisco, a reported average of five and a half oil taps are illegally drilled into oil pipelines every day. A total of 4,125 illegal taps were reported in 2014, 641 of which took place in Tamaulipas, with costs to Pemex assessed at over USD 1 billion. Apart from the financial losses, illegal oil pipeline taps also pose a risk to oil workers. In August 2015, an explosion at a gas pipeline illegally tapped by criminals resulted in the deaths of five Pemex workers.

Unless the federal government rethinks its counter-theft strategy, foreign companies entering Mexico's recently privatised oil and gas sector are likely to face the same operational and financial problems as Pemex. Although organised crime groups are at the forefront of oil theft in Mexico, they reportedly operate in collusion with local police, Pemex employees, petrol distribution companies, and petrol stations. Attempts to combat these webs of corruption have so far made few inroads. Weak penalties for stealing oil and gas have only exacerbated the problem, and despite numerous attempts to increase prison sentences for offenders, prosecutors have made little progress. Oil theft is therefore likely to remain a significant operational risk for foreign companies investing in Mexico's oil and gas sector.

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Libya

Licence to Kidnap:
A Free Reign for Tripoli's Militias

With United Nations-led peace talks dominating the country's agenda, **Julian Karssen looks** at the impact of the Libyan civil war on the kidnapping threat in the capital, Tripoli.

Since the outbreak of armed conflict in Libya in mid-2014, the security environment has been marked by the widespread use of kidnapping as a tactic for political, financial, and propaganda purposes. From the abduction of Eritrean and Egyptian Christians by the Islamic State (IS) militant group, to tit-for-tat kidnappings by rival militias, the practice extends across Libya with victims having little recourse to appeal to higher authorities.

Kidnappings have also been prevalent in the capital, Tripoli, where a multitude of militia groups exercise control over the city's neighbourhoods. While these groups broadly fall under the command of Libya Dawn, the military faction aligned with the Tripoli-based National Salvation Government (NSG), it has become increasingly apparent that they are not held accountable to Libya Dawn's military commanders, and are able to operate with relative impunity. For many of these militias, kidnapping has become a popular method for settling personal rivalries, raising funds, and intimidating government officials.

Most kidnappings in Tripoli are likely to go unreported, either because local authorities are currently incapable of keeping track of such data or because locals have no confidence in authorities and are fearful of retributory violence. Furthermore, as militias have even assumed responsibility for law enforcement in a number of areas, the groups committing the kidnappings are often the same ones purporting to provide security. The authority that the NSG holds over the Tripoli militias is also tenuous, which is perhaps most clearly illustrated by the frequent kidnapping of NSG officials themselves by militia fighters.

Able to operate with impunity, Tripoli-based militias have threatened foreign businesses and even governments. For instance, on 12 June, gunmen from the Tajoura brigade, a Libya Dawn-aligned militia based 14km east of Tripoli, forcefully entered the Tunisian consulate in Tripoli and abducted 10 consular staff. The kidnapping was reportedly in response to the continued detention of Walid Al Gleib, a Tajoura brigade commander, by the Tunisian authorities. With the local authorities in Tripoli incapable of intervening, the Tunisian government reportedly made a deal directly with the militia to exchange the diplomats for Al Gleib.

While recent United Nations-led peace talks have raised limited hopes of stabilisation, Tripoli's militias remain a dominant force and are unlikely to surrender control over the city districts without extracting significant political and economic concessions. As such, even as Libya's various opposing factions finalise the formation of a government of national unity, the kidnapping risk posed to the few remaining expatriates in Tripoli is unlikely to subside in the near future.

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Central Asia

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Progress Gagged?
Wrongful Detention in Central Asia

While the release of one of the world's longest serving political prisoners by Uzbek authorities is a positive development, wrongful detention remains a major problem in Central Asia, **writes Saif Islam**

On 12 November, Murod Juraev was released after 21 years behind bars in Uzbekistan. In 1994, the former opposition politician was sentenced to nine years in prison for plotting to overthrow the government, a charge widely believed to be politically-motivated. His sentence was extended in 2004, 2006, 2009, and 2012 for violating various prison rules including "*peeling carrots incorrectly.*" While Juraev's release is a positive development, it is an isolated one. There are still hundreds of wrongfully-imprisoned individuals not only in Uzbekistan but across the wider Central Asian region, including opposition politicians, journalists and human rights activists.

Neighbouring Tajikistan has also used wrongful detention to suppress political opposition. In August 2015, the government banned the opposition Islamic Renaissance Party of Tajikistan (IRPT), and subsequently arrested 13 members of the IRPT to "*prevent new terrorist acts*", a move which was condemned by several rights groups. Tajikistan also made international headlines in June 2014 when authorities arrested Alexander Sodiqov, a Tajik national and UK-based researcher, on grounds of espionage. Rights groups have not only criticised the charges against him, but also the refusal of the Tajik authorities to provide information regarding his whereabouts for several days after his imprisonment.

Turkmenistan, arguably the most repressive Central Asian country, similarly has a long history of wrongfully imprisoning activists, dissidents and anyone deemed a threat to the state. Although President Gurbanguly Berdymukhamedov has released several political prisoners since coming to power in 2006, many remain imprisoned. Wrongful detention also remains a tool of political repression in Kazakhstan, although to a lesser extent than Uzbekistan, Turkmenistan and Tajikistan. On the other hand, Kyrgyzstan, often cited as the region's only functioning parliamentary democracy, has a comparatively better record.

Central Asian governments face limited external pressure to do away with wrongful detention and other human rights violations. The US has focused on improving security and trade relations in Central Asia, especially in light of the renewed Taliban insurgency in Afghanistan. Similarly, although the European Union's new Central Asia strategy, adopted in June 2015, calls for the promotion of human rights, it is unlikely to have a meaningful impact. Given Central Asia's strategic importance in terms of energy, trade and regional security, the international community is likely to continue avoid taking a hard stance against wrongful detention and other human rights violations by Central Asian governments.

Philippines

Buying Votes:
Extortion in the Philippines

In the build up to the Philippines 2016 general elections, officials have urged candidates not to give into the New People's Army's extortion demands, bringing their activities into the spotlight, **writes Mandira Bagwandeen**

In recent years, the Filipino media has published numerous reports on the New People's Army (NPA), the armed wing of the Communist Party of the Philippines (CPP). The focus of these reports has been the group's extortion activities, which have intensified in recent months with campaigning underway for the May 2016 general elections.

The NPA is well known for collecting 'revolutionary taxes' from individuals and business on behalf of the CPP. For its part, the CPP argues that it has established a 'people's revolutionary government' in areas under its control and that it collects taxes as a function of governance. However, the NPA's approach to 'tax collection' differs according to the wealth and influence of the target.

Sources: https://commons.wikimedia.org

Despite various initiatives and operations by the military, the NPA's extortion activities are generally viewed as an accepted risk of operating in the Philippines' extractive and agricultural sectors.

The primary targets for extortion are local and foreign mining, agricultural, and telecommunications firms located in the rural areas of Luzon, Visayas, and especially Mindanao. If a company fails to comply with the NPA's demands, the group often carries out acts of sabotage to damage or destroy equipment and infrastructure. Reports of deaths or injuries involving security personnel or employees are common in such incidents.

In 2013, the CPP/NPA reportedly obtained PHP 300 million (USD 6.3 million) from 'revolutionary taxation' and destroyed PHP 1.2 billion (USD 25 million) worth of property in 31 recorded incidents. Despite various initiatives and operations by the military, the NPA's extortion activities are generally viewed as an accepted risk of operating in the Philippines' extractive and agricultural sectors.

Although the CPP does not take part in the Filipino political process, the organisation has significant grassroots support in parts of the Philippines. Consequently, pay to campaign (PTC) and pay to win (PTW) are other major sources of funding. During election campaigning periods, the NPA demands fees from candidates wishing to campaign in areas where the CPP and NPA have a significant presence. It also collects PTW fees to ensure certain candidates win, through coercing and harassing people to vote for a particular candidate. The CPP reportedly collects an estimated PHP 200,000 (USD 4,240) to PHP 650,000 (USD 13,780) from candidates during election campaigns. Candidates who refuse to pay, are often harassed, threatened, or even killed.

The CCP has come to rely increasingly on 'revolutionary taxes' and PTC/PTW to sustain itself. Since its legal businesses were forcibly dissolved in the 1990s, such extortion activities are likely to remain important sources of funding for the organisation for the foreseeable future.

About

S-RM

Led by its Business Intelligence & Investigations division, S-RM leverages its holistic risk management expertise to provide XL Catlin with a range of information resources and advice to inform their business operations. The Global Kidnap Bulletin is a quarterly newsletter produced by S-RM for XL Catlin, profiling recent Kidnap for Ransom and Extortion incidents, related events and global developments worldwide which have the potential to impact personal safety and the safety of a client's family and/or personnel. This newsletter supports the Global Security Insight website which S-RM provides to XL Catlin. XL Catlin is one of the world's leading insurance organisations, focusing exclusively on providing property, casualty, professional and specialty insurance for businesses. Whether you're arranging cover or making a claim with XL Catlin, you'll find their people are empowered to make quick decisions. XL Catlin participate in over 2,600 global programs, and lead more than seventy percent of these. Across the world, you'll experience the same XL Catlin qualities: underwriting excellence, quick reactions and transparent pricing. A broad international mix with a consistent global approach.

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