



Fidelity / Crime Division

**FIRST LOOK!**

Interview with Nicola White,  
Director, Special Risks  
Analysis at Control Risks

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2021 Kidnap Environment  
Updates

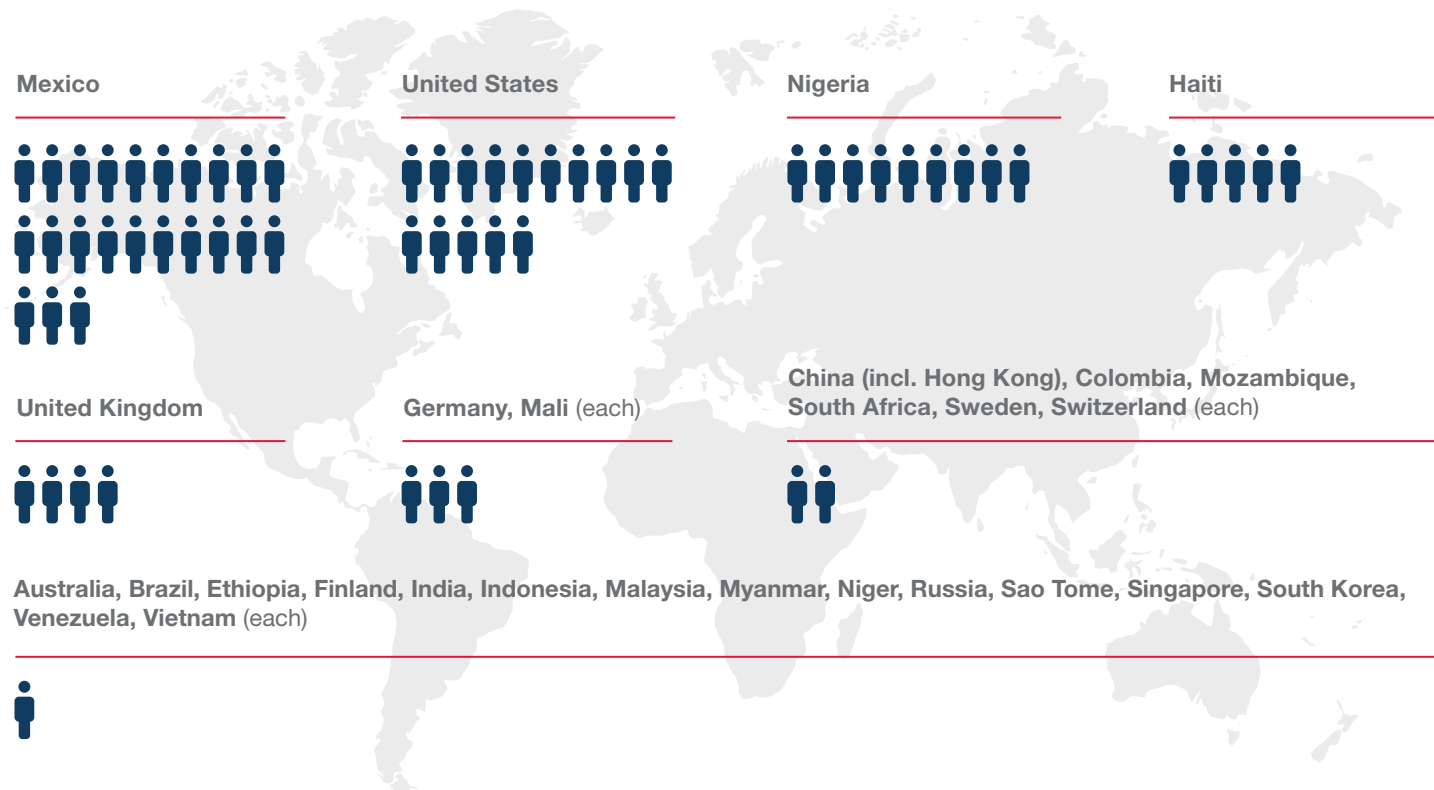
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Emerging threats,  
high risk watchlist

**INSIDE THIS ISSUE**

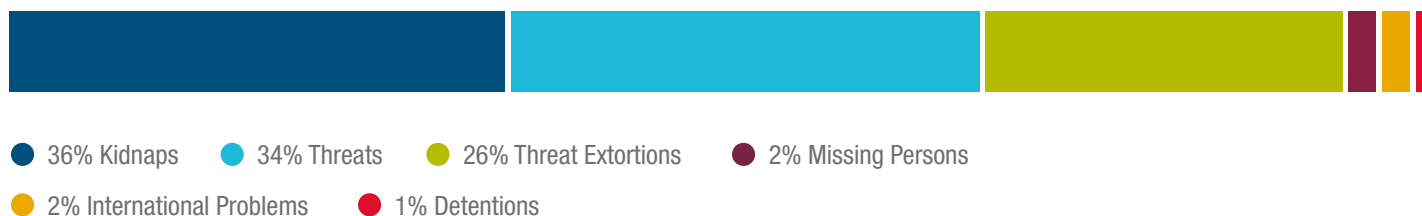
- Kidnapping Locations and Response - Breakdown
- Control Risks Statistics
- Interview with Nicola White, Director, Special Risks Analysis at Control Risks
- Emerging Threats
- High Risk Watchlist

# Kidnap & Ransom **INSIGHTS**

## Location of Response Cases, First Half of 2021 Source: Control Risks, 2021



## Response Case Breakdown, First Half of 2021 Source: Control Risks, 2021



### Interview with Nicola White, Director, Special Risks Analysis

**Can you provide information on your background, how you became a part of Control Risks and what your day to day activity is like within the firm?**

After achieving a Bachelors degree in European languages, I looked for a meaningful career centered around global affairs. My first job was as a security analyst working for UK central government. There I developed analytical expertise in terrorism across Asia. When a role came up at Control Risks as an analyst specializing in kidnapping trends in the Middle East and Asia it was the perfect fit. I joined the Confidential Crisis Response department a little over nine years ago and now manage a team of six analysts and researchers who track kidnapping and extortive crime trends globally. The primary function of our team is to support clients with operational analysis when an employee is taken or receives an extortive threat. We use the world's largest database of extortive crime incidents and our detailed knowledge of on-the-ground trends to answer questions such as which perpetrators operate in the area of the incident, what they are motivated by, what concessions are they likely to demand and accept, how often do they follow through on threats issued, and what are the most likely case outcomes. My role requires me to maintain

an expert understanding of kidnapping and extortive crime trends in all of the major hotspots globally, but also to use my experience to forecast kidnapping and extortion trend lines into the future so that we can better support our clients to ensure the safety of their employees or loved ones.

### **What do you envision for the Kidnap, Ransom & Extortion landscape for the remainder of 2021 and looking ahead for the future?**

The high levels of kidnapping that we recorded in 2020 (despite movement restrictions related to the COVID-19 pandemic) have so far been maintained in 2021 and we expect rates to continue apace. The economic impact of COVID-19 means that kidnapers are likely either to carry out more kidnaps or target a wealthier subset of the population to ensure their criminal activity realizes the same proceeds as pre-pandemic. The principal difference we have seen so far this year is that kidnapping rates are largely consistent. Last year saw wild fluctuation in month-on-month kidnapping levels as local restrictions were imposed and then eased, meaning kidnapers had to counter periods of inactivity with episodes of intensity. The data we have on kidnaps of foreign nationals reflects exactly where we are in the global pandemic. Overall, the proportion of foreign nationals being targeted remains below pre-pandemic levels, but approximately two thirds of the foreigners who were targeted in the first half of 2021 were expatriates. The fact that local restrictions have largely eased allows expatriates and locals alike greater freedom of movement that kidnapers can exploit, but international travel remains limited which reduces the overall pool of potential foreign victims. We expect the number of incidents involving foreigners to rise again when international travel resumes, though local nationals will always account for the vast majority of victims.

For extortionists, 2020 was a boom year. With so much of the world glued to devices and already living under heightened threat, perpetrators had increased access to victims and a much higher success rate. However, in 2021 reported levels of extortion have generally returned to pre-pandemic levels. While cybercrime continues to flourish, we expect rates of more traditional extortion to remain at pre-pandemic levels. As we move through and beyond 2021 populations will slowly resume normal habits and so too will criminals. For them, this likely includes a return to more traditional methods of criminality that require a physical interaction such as kidnapping for ransom and express kidnapping as well as drugs and people smuggling.

### **Do you have any security precaution recommendations for individuals and organizations when global travel restrictions are lifted?**

The COVID-19 pandemic has had a significant socio-economic impact and as a consequence the security environment in many countries has deteriorated. We are advising our clients to ensure that any threat and risk assessments are updated with current analysis ahead of travel to account for how environments have changed during the period. This process should include those places that were frequently visited and well known to travelers pre-pandemic. Criminals have had time to update their scams, improving their tactics for crimes such as express kidnapping, virtual kidnapping and street extortion, making it more likely that individuals who were previously wise to their methods will again be vulnerable.



## What resources are available to Insureds that purchase a K&R policy through Great American?

Insureds have around the clock, guaranteed priority access to a market leading Confidential Crisis Response team who have unparalleled operational experience and expertise accumulated since 1975; the equivalent of more than 148 years advising on over 4100 cases in 145 countries.

Insureds are granted access to an online portal, which offers background analysis of the kidnapping risk on a country-by-country basis (including risk ratings for kidnapping, security, and travel) as well as rolling updates on key events as they happen. We also produce exclusively for Insureds a quarterly publication in January, April, July and October which provides statistics and analysis on the key kidnapping and extortion trends that have been tracked in the prior quarter. Lastly, clients who are entitled to a Risk Mitigation Allowance can put the fund towards preventive services. This can include bespoke analysis of the threat to a specific operation, workshop training to elevate and enhance an organization's acute crisis response capability or the creation of kidnap crisis management plans.

## The Great American Advantage:

- Highest limit in the industry at \$65 million
- \$0 deductible
- Coverage for worldwide territories\*
- Includes unlimited fees and expenses for the services of the industry's most experienced crisis response team
- Coverage extends beyond a traditional kidnapping to cover domestic exposures, such as threats, child abduction and extortion
- Broad definition of Insured with the ability to tailor coverage to meet the Insured's specific needs
- Excellent client service

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\*Unless prohibited under US Law (on the OFAC list of sanctioned countries), Great American Insurance Group, 301 E. Fourth St., Cincinnati, OH 45202. Coverage description is summarized. Refer to the actual policy for a full description of applicable terms, conditions, limits and exclusions. In the U.S.: Policies are underwritten by Great American Insurance Company and Great American Spirit Insurance Company, authorized insurers in all 50 states and the DC. In Canada: All insurance products are subject to the limitations and conditions in the applicable policy or certificate of insurance in force at the time of purchase or enrollment and applicable legislation. Policies are underwritten by Great American Insurance Company, a foreign insurer authorized to insure risks in all Canadian Provinces and Territories. The Chief Agency of the Canadian Branch of Great American Insurance Company is located at Scotia Plaza, Suite 2100, 40 King Street West, Toronto, Ontario M5H 3C2. © 2021 Great American Insurance Company. All rights reserved. 5132-FIC (12/21)

## Emerging Threats

### South West Nigeria

Nigeria had the highest number of kidnaps in 2020 and in the first half of 2021. The South West region has emerged as a kidnap for ransom hot spot, but kidnaps occur in every one of Nigeria's 36 states, targeting both local and foreign nationals.

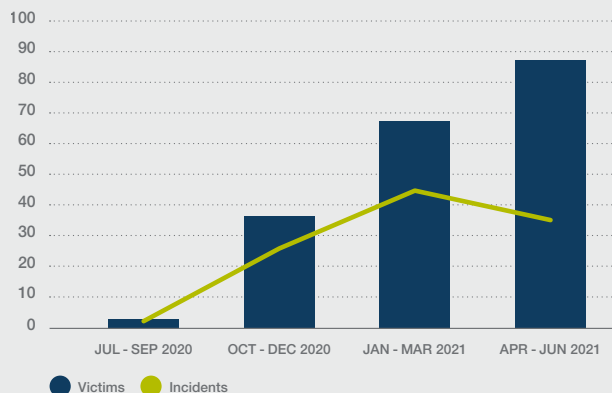
### Haiti

- Kidnapping rates have significantly increased since 2019.\*
- Discontent towards the central government due to economic and political grievances, as well as the presence of criminal gangs has created a hostile environment.\*

\*Source: Control Risks Global Risk Data portal

### Kidnaps and kidnap victims recorded in Haiti, July 2020 to June 2021

Source: Control Risks



## High Risk Watchlist

### Libya

- Kidnap threat remains HIGH.
- Political progress unlikely to signal reduced kidnap risk.
- Corporate personnel will be priority targets.

### Afghanistan

- Security environment to deteriorate amid Taliban advances.
- Kidnap risk will remain **EXTREME**.
- Increased Taliban control will aggravate attribution and reporting issues.