KIDNAP + RANSOM INSIGHT

THE SECURITY IMPLICATIONS OF THE EMERGENT LABOUR CONFLICT IN NORTHERN MEXICO

GLOBAL SUMMARY

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MAR 2019 REPORT
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EXECUTIVE SUMMARY

SUMMARY

This issue of Constellis’ Kidnap for Ransom Insight Report covers global kidnapping incidents and trends for the months of January, February and March 2019. The information is derived from multi-source analysis of kidnap for ransom activity and where known, the outcome or resolution of the events. The report covers current kidnap for ransom hotspots at regional, national and provincial levels, with a particular focus on areas where kidnap for ransom activity is increasing.

Statistical analysis of data for January and February 2019 is included on page 13, which displays kidnap for ransom trends by region, victims by nationality and employment sector, as well as identifying the Top 10 counties for kidnapping of foreign nationals over the reporting period.

The Global Piracy Update provides an overview of the piracy threat by region, providing trend analysis for January and February 2019. It also offers sample cases that took place during those months to illustrate identified trends.

The Cybersecurity section examines current issues affecting companies and individuals in the realm of IT security. This edition will provide an analysis on cybersecurity trends observed over 2018 and an outlook for 2019. While 2017 saw the rise of ransomware, 2018 saw the propagation of ‘next generation’ cyber threats, including cryptojacking and attacks on IoT/mobile devices. Notably, although overall ransomware detections declined in 2018, the number of attacks against organisations increased. It was also observed that cybercriminals changed their tactics, carrying out more sophisticated, targeted attacks, as opposed to widespread, randomised campaigns.

The Focus Article offers an insight into the recent labour conflict in Mexico’s northern border. The so-called “20-32 movement” was paradoxically born as a result of a short-sighted measure aiming at increasing workers’ salaries in the country. While the movement had its hub in the city of Matamoros, Tamaulipas state, it has already spread to several cities across different states along the border with the US. If left unchecked, this movement has the potential to spread beyond the Mexican northern border, causing major disruption to Mexico’s industrial activities and bringing economic, security and reputational risks for companies.
GLOBAL OVERVIEW

AMERICAS

In the period of January-February 2019, the Americas ranked second, with 35% of the total number of foreign kidnapping victims recorded by Constellis globally. In line with established trends of a lull in events at the start of each year, an important decrease was observed with regard to the previous reporting period. However, the 44 victims recorded represented an increase of 46% with respect to January-February 2018. This was mainly due to a series of kidnappings linked to the Venezuelan crisis, which has spiralled since January 2019, when the leader of the opposition declared himself Venezuela’s interim president and called for free elections. President Maduro has since responded with a number of heavy-handed actions, including the closure of the borders as of 1 March 2019 and a series of unlawful arrests of opposition figures and journalists covering the crisis. The socio-political crisis has had clear security implications beyond the widespread social unrest. Criminal elements have profited from the ongoing tumult to carry out their activities unrestrictedly. This has additionally resulted in a criminal spill-over to neighbouring countries. Over the reporting period this was particularly observed at the maritime border with Trinidad and Tobago, where a number of Trinidadian citizens were kidnapped for ransom by Venezuelan gangs.

**CASES:**

- On 25 February, a team of seven foreign journalists working for US-based TV network Univision, were illegally detained by Venezuelan security forces at the Miraflores Palace in Caracas, allegedly on orders of President Nicolás Maduro. The illegal arrest took place after the leader of the team, Jorge Ramos, interviewed the president. Reportedly, Maduro disliked the questions posed to him and ordered to have the recording stopped, the journalists detained and their equipment confiscated. The journalists, all American citizens, were released after 24 hours, although without their equipment and material. Later reports affirmed that the mediation of Mexico’s foreign minister Marcelo Ebrard averted a possible protracted case that could have turned into a diplomatic crisis between the US and Venezuela. Journalists’ associations condemned this and other attacks against journalists as part of the regime’s restrictions on journalism in the country.

- Two Trinidadian cousins, who were kidnapped by Venezuelan pirates in January, were reunited with their families on 12 February. The victims were retrieved by their relatives from Venezuelan territory after a ransom of over USD 12,000 in cash and goods was allegedly paid to the kidnappers, out of the USD 40,000 originally demanded. The victims’ relatives had been contacted via telephone by a Spanish-speaking man who said that if the money was not paid, the two would be killed. The threat was accompanied by a photograph sent to the family, showing both hostages with a gun pointed at their heads. Kennrick Morgan and Kendell Singh were abducted on 12 January while fishing off Moruga, Trinidad. This is the second of three similar incidents reported in the same area between January and March 2019.

In Mexico, mass rescues of kidnapped Central American migrants continue to be reported in localities near the border with the US. Of note however has been the increase in reporting off Veracruz State, which has experienced over 30% of the incidents reported to the authorities over the first two months of 2019, thus becoming the number one kidnapping hotspot in the country. This has taken place in the context of a wider security crisis in the state, directly linked to the Cartel Jalisco Nueva Generación (CJNG) trying to establish itself as the leading criminal entity over Los Zetas and the Gulf Cartel. Recent violence recorded in the state has comprised not only kidnappings, but also armed ambushes and shootings, as well as IED and arson attacks. While these incidents primarily target local nationals, foreign nationals may be at considerable collateral risk.

**CASES:**

- The beheaded body of a businesswoman was found inside a garbage bag at a vacant lot near the city of Coatzacoalcos, Veracruz State, on 13 February, approximately a week after her abduction. A message was found next to the body, explaining that the victim was killed because her husband had refused to pay. Reportedly, the kidnappers had demanded a ransom of 4 million pesos (over USD 207,000). Later, on 19 February, presumed members of the CJNG claimed responsibility for the kidnapping and murder of the entrepreneur. The claim was communicated via a banner placed outside the Coatzacoalcos police headquarters. According to the message in the banner, the crime was linked to the illegal activities of her husband, who was allegedly linked to Los Zetas cartel.

Meanwhile, in Colombia, the US Regional Security Office in Bogotá issued a note in March warning of an increase in crimes targeting tourists with the drug Scopolamine across the country. According to the note, at least 18 American citizens were the victims of such schemes in 2018, and three so far in 2019; most of them reported in Medellín. These incidents typically take place in bars and nightclubs, with many victims having been lured via social media or Apps.

**CASES:**

- In February 2019, the Colombian security forces arrested three members of a criminal gang, accused of the kidnapping and murder of a Turkish-Canadian professor in December 2018. Professor Ramazan Gencay had been targeted after he contacted one of the female members of the gang via the Tinder App. Gencay was last seen on 6 December after he left a nightclub in Medellin’s red district in the company of the woman. His body was found 18 days later in an advanced state of decomposition in a rural area in the outskirts of Medellin. Investigations revealed that the victim had been drugged with Scopolamine, after which the criminals emplied his bank accounts. The professor had died from an overdose after a second dosage was administered.
EUROPE

In the absence of reporting of mass abductions of foreign migrants during January and February 2019, Europe returned to previously established levels, below 15% of all recorded victims. Having said that, crimes linked to people smuggling, including kidnapping for ransom and human trafficking, remain an ongoing challenge for the European authorities. This is particularly the case at points of entry, such as Spain, Italy and Greece. Among other kidnapping trends in Western Europe are incidents linked to personal or financial disputes, and abductions related to settling of scores between criminal organisations.

CASES:

On 24 January, members of the Spanish civil guard rescued an underage migrant from a house in Puerto Real, Cadiz province. The boy was reportedly found in very poor condition. According to police investigations, the victim, who had illegally migrated to Spain on a boat from Morocco, was abducted from a shelter for juvenile migrants in the municipality of El Bosque, lured under false pretenses of assistance to obtain residency. The kidnappers then demanded a ransom from his family in Morocco. Five suspected members of the criminal network, which specialised in abducting foreign migrants and smuggling drugs, were arrested during the raid. The arrested included two Moroccan and three Spanish nationals. Spanish authorities believe the gang may have carried out as many as 20 kidnappings in total, demanding ransoms of between €400 and €500.

On 12 February, authorities of the island of Syros in Greece, charged two Pakistani men over their role in the kidnapping of a compatriot in Sifnos the previous week. The two suspects had arrived illegally on the island by ship on 5 February, indicating that this was a pre-planned, targeted abduction. According to preliminary investigations, the victim was beaten up and kept inside a small shed at a remote location in northern Sifnos. The suspects made him call his family in Pakistan to request €4,000 in ransom. However, his family alerted another Pakistani national living in Sifnos who called the local police. Authorities are searching for one more suspect. The victim was transferred to the local health centre where he received medical care.

CASES:

Gregory Kucherkov, CEO of blockchain start-up Cornerstone, was kidnapped outside his company’s head office in Kiev, Ukraine, on 10 March. A CCTV camera outside the premises captured the moment when a van blocked Kucherkov’s way, after which two men forced him inside their vehicle at gunpoint as he exited his car. In the days after the incident Cornerstone’s spokespeople said the kidnappers had not established contact and thus a ransom demand has not been made. Local police believe the kidnapping may be linked to the company having recently raised a significant amount of funds in order to launch its own cryptocurrency soon. The businessman remains missing at the time of writing.

Anuj Goel, an Indian businessman owning a chain of pharmacies in Odessa, Ukraine, was reported free and safe on 2 February, just hours after Indian authorities, including External Affairs Minister Sushma Swaraj, reportedly took the matter at the highest level of the Ukrainian government. Goel was kidnapped outside his home as he came back from work, on 29 January. According to Ukrainian law enforcement officers, the kidnapping may have been linked to business rivalry.

A number of crimes linked to the trade in cryptocurrencies have continued to be reported worldwide in 2019. This has been particularly prevalent in former Soviet nations, where a number of cryptocurrency owners and traders have been robbed, kidnapped or extorted for their crypto assets. This, in addition to a number of kidnappings and extortions in which the criminals have demanded payment in bitcoins and other more IT-based crimes, has put increased pressure on governments to fast-track regulation of cryptocurrencies. According to a prominent cryptocurrency US law enforcement agent, an increasing number of criminal gangs are specifically targeting individuals in countries with little or no jurisdiction governing cryptocurrencies.
During January-February 2019, nine foreign nationals were kidnapped in the Middle East, representing a considerable increase compared to the same period in 2018, when only one victim was recorded. This, however, may be attributed to poor reporting over 2018, as activity over the first two months of 2019 appeared to conform to established trends in the region. Over the reporting period, four foreign victims were abducted in Gulf countries. However, these incidents mainly involved members of South Asian communities and were linked to personal or financial disputes, a common occurrence in the Gulf region. Meanwhile, in Yemen, a number of kidnappings and releases of foreign nationals over the past month have once again highlighted the very high security threat in the country. In addition to the civil war and terrorism, kidnapping poses a considerable threat to foreigners in Yemen, whether carried out for ransom, terrorism or political concessions. Thus, most Western countries advise against all travel to the country.

CASES:

- On 28 January, Kuwait City police arrested a gang of four Bangladeshis who had kidnapped and severely injured a compatriot. The operation took place following a report by the victim, who said he had been kidnapped from his apartment in the Amghara area. He was then taken to an unknown location, where he was held by the accused for several hours, and assaulted and robbed of his belongings, including KD 200 (USD 658) in cash. A passer-by, who heard the victim shouting for help, came to his rescue and took him to hospital for treatment. The victim said that he knew two of the kidnappers.

- On 6 February, Yemeni security forces rescued three Bahraini citizens in the city of Dhale, in the province of the same name. Details of the operation were not disclosed. The three men were kidnapped on 3 February while returning from a short visit to their hometown. The abduction was attributed to tribal militias from Shabwa province, allegedly led by a man named Salim al-Tusli. It was initially reported that the victims were relatives of high-ranking members of the Arab coalition, suggesting that this may have been a targeted kidnapping with a political motive.

- On 20 February, Yemeni security forces rescued another three Bahraini citizens in the city of Da'ana, in the province of Taiz. Details of the operation were not disclosed. The three men were kidnapped on 16 February from their homes in the town of Duqaliya. The kidnappers reportedly demanded a USD 600,000 ransom. Previously, on 17 February, unknown gunmen kidnapped a young man near Baghdad’s Hay Aur area. His kidnappers reportedly demanded a USD 600,000 ransom. Previously, on 17 February, unknown gunmen kidnapped a young man near Baghdad’s Hay Aur area, demanding USD 100,000 for his release.

- In early February, UK Security Minister Ben Wallace said British intelligence officials believe John Cantlie is still alive in IS custody. Wallace, however, declined to offer further details, including the victim’s possible location. According to UK media citing Kurdish sources, John Cantlie and two other Western hostages - Italian priest Paolo Dall’Oglio and a female Red Cross nurse from New Zealand - were being used as bargaining chips by IS in negotiations with the Syrian Democratic Forces to get safe passage from the then besieged town of Baghuz. John Cantlie was kidnapped in Syria in November 2012 and has not been seen publicly alive since 2016, while Father Dall’Oglio has not been heard of since his abduction in July 2013. The nurse from New Zealand is believed to be one of the six ICRC workers kidnapped by the group in October 2013, however, this has never been confirmed by the government of New Zealand.

- President Donald Trump announced on 25 February that American citizen Danny Burch had been freed after 18 months of captivity in Yemen, in what the State Department described as a rescue operation. In his statement, Trump thanked the United Arab Emirates for its role in Burch’s release. The White House did not provide additional details on Burch’s case, citing privacy concerns. Burch, who is married to a Yemeni national, had lived in the country for several years, working for an oil company before his kidnapping in Sanaa in September 2017. It is still unclear which group was behind Burch’s abduction, with some sources attributing it to Houthi rebels and others saying he had been held by an organised criminal group. In his statement after Burch’s release, President Trump said that freeing Americans held overseas is a priority of his administration, affirming that 20 Americans have been released so far during his tenure.

Meanwhile in Syria, the Islamic State’s caliphate in Iraq and Syria was declared defeated following the capture of the Syrian town of Baghuz - the group’s last territory in the region - by the US-backed Syrian Democratic Forces on 23 March. However, while the group no longer controls any territory, it remains a powerful threat. In Iraq for instance, over a year after its declared defeat in the country in December 2017, the group continues to carry out attacks on a regular basis in areas previously declared liberated, with some analysts foreseeing a resurgence of the group. As was the case in Iraq, IS is expected to shift further toward a decentralised operating structure in Syria, resorting to guerrilla-style tactics, as well as other low-level asymmetric activity, including kidnapping and extortion. The latter will be particularly important for the group as it struggles for sources of income.

CASES:

- In addition to terrorism concerns, kidnapping for ransom by criminal elements continues to pose a considerable threat across Iraq. This is particularly the case in Baghdad, where a wave of kidnap for ransom events was recorded in mid-February. Notable incidents included the kidnapping of a young male near his residence in the Karada area on 21 February. His kidnappers reportedly demanded a USD 600,000 ransom. Previously, on 17 February, unknown gunmen kidnapped a young man near Baghdad’s Hay Aur area, demanding USD 100,000 for his release.
During the first two-month period of 2019, Africa regained its position as the region with the highest number of kidnapped foreign nationals, with almost 37% of all victims recorded by Constellis. This was mainly attributable to activity in Libya, where kidnapping incidents take place on a daily basis and mass kidnappings are a common occurrence. While no official figures are available, NGO Human Rights Solidarity has reported that at least 141 people were detained or abducted in Libya by militias alone in 2018. While the risk of kidnapping is high across the country, this is heightened in the border areas of Algeria, Chad, Niger and Sudan. Moreover, an increase in IS activity has been identified in Libya in recent months, including kidnappings for ransom, particularly in southern territories. A number of released hostages have reported the participation of foreign militants, particularly from Iraq and Syria, suggesting that the expected migration of fighters from the Levant following the loss of the physical caliphate is already taking place. Similar dynamics can be expected in Algeria, Nigeria and elsewhere on the continent where the group still possesses a presence.

CASES:

The Zawiyah oil refinery has been a common target of armed groups since the fall of the Gadhafi regime. (The Globe and Mail)

14 Tunisians working at Zawiyah refinery were kidnapped on 14 February by an armed group while on their way to work, about 50 kilometres west of the Libyan capital, Tripoli. According to media reports, the Tunisians were kidnapped by individuals looking to swap them for a Libyan imprisoned by the Tunisian authorities on drug trafficking charges. A state of emergency was declared in Zawiya following the incident. At the time of the abduction, members of the negotiation group had estimated that the victims would be released within 48 hours, and so it turned out. On 17 February, the Tunisian Foreign Ministry confirmed the release of 14 Tunisian oil workers. A spokesman for the Tunisian government said that Libyan security forces stormed the place of their detention and were able to release them without fighting and any casualties. It was not mentioned if any arrests were made during the operation. It remains unclear which militant group was behind the abduction, with initial reporting suggesting it was a group formed by relatives and friends of the imprisoned Libyan. The kidnappers, in a video released on social media, had demanded the release of a Libyan man held in a Tunisian prison. This incident follows the kidnapping of seven other Tunisian nationals in two different incidents in the same month.

Meanwhile in Egypt, a number of seemingly unlawful detentions have been recorded this year, targeting Egyptian dual citizens. In one of the latest incidents, in February, the family of Yasser Ahmed Albaz, an Egyptian man with Canadian citizenship, called on the Canadian government to step in after they were informed that he was being held in a notorious prison without charge. Albaz was detained at Cairo International Airport on 18 February after a three-month business trip for his engineering firm. Reportedly, when arriving at the gate, his passport was confiscated after he was informed by an official that his name had been flagged for investigation. Albaz’ family managed to trace him to Torah prison in Cairo, which is notorious for housing political prisoners and for its inhumane conditions. Meanwhile, the Canadian authorities said they were aware of the detention and that consular services were being provided. This incident follows at least three other similar incidents in less than two months. It is reported that this type of event is not uncommon in Egypt as the country does not recognize dual citizenship and treats such dual passport holders as Egyptian citizens. This makes it difficult for foreign consulates to gain information and access to detained persons who are also their citizens.

Characterized by its multitude of threat factors, Nigeria remains one of the world’s top kidnapping hotspots. Once limited to the Niger Delta, the threat is now truly widespread. Indeed, according to independent studies, in 2018, the worst-affected state for kidnapping was the northern state of Kaduna, followed by Zamfara State, also to the north. While the southern states of Lagos, Delta, and Akwa Ibom were also among those with the highest kidnapping numbers, these states saw an improvement with respect to 2017. Northern Nigeria’s kidnapping scene is dominated by groups of armed herders turned criminals, as well as Boko Haram units. Particularly, Boko Haram-linked groups are known to specifically target foreign nationals in their areas of activity, with Western governments often issuing travel alerts based on intelligence on specific plots. Most recently, the US Embassy issued an alert on 13 March 2019, warning that a terrorist group planned to conduct kidnap operations against unidentified US and European citizens located in Borno State.

CASES:

On 12 March, four armed men kidnapped a Lebanese engineer who was supervising road works in the northern Kano State. Sagir Ahmed was attacked as he approached the construction site in the Dangi area of Kano City. Ahmed’s Nigerian driver was killed in the attack, while his security escort was injured. Ahmed was found dead in the bush on the outskirts of the city on 14 March. Lebanese media quoted the victim’s brother affirming that the kidnappers, who had identified themselves as Boko Haram militants, were demanding a ransom. According to the brother, the Lebanese authorities had been in contact with the victim’s employer to secure the ransom. This information has not been corroborated by any authority and the extremist group has not publicly claimed the incident.

In Mozambique, while levels remain well below peak numbers observed in 2013, kidnapping remains a security concern. In one of the most recent incidents, an Indian businessman was abducted in the city of Maxixe, Inhambane province, on 25 January. According to reports, the businessman was having dinner at a restaurant owned by a friend of his, located along the N1 highway, when seven armed individuals raided the establishment. The businessman’s security escorts were shot, while the victim was forced into a vehicle with no license plates. The owner of the restaurant, another well-known Indian businessman, was shot and wounded by the kidnappers while resisting abduction. The Mozambican police said they believed the primary target was the restaurant owner, who was not taken as he could not walk after his being wounded. No more information has been disclosed on the case following the initial reports.
ASIA

Over the January-February 2019 period, Asia largely retained the levels observed in the second half of 2018. Kidnapping cases linked to the activities of loan-shark syndicates continue to be reported in Southeast Asia. It is assessed that loansharking has spiked in recent times throughout the region as a result of an increase of Chinese tourism and the restrictions imposed by the Chinese government on how much money Chinese nationals can take out of the country. This has fuelled an underground banking industry controlled by organised crime, which not only lends on exorbitant terms but also resorts to hostile tactics to extract reimbursement. Victims who cannot pay are often kidnapped and tortured in order to extort the money from their relatives. Many such incidents take place at casino hotels, as these groups frequently offer hotel accommodation along with loans for gambling. This problem is particularly predominant in the Philippines, where an exponential increase in these events has been observed over the last two years. According to the Philippines’ anti-crime watchdog Movement for Restoration of Peace and Order (MRPO), at least 23 people were kidnapped by these organisations in the Philippines in 2018, with eight victims already reported in the first two months of 2019. Most of the victims were ethnic Chinese.

CASES:

➤ Four Chinese kidnappers were arrested by the anti-kidnapping unit of the Philippine police during the rescue operation of an Australian citizen in Makati, Metro Manila, on 20 February. The intervention of the Philippine authorities had been requested by the Australian police after receiving reports on the disappearance of the main on 18 February. The victim was identified as Chen Jianting, who had arrived in the Philippines on 17 February. According to police reports, Chen had been kidnapped over an unpaid casino debt.

After the abduction, the kidnappers took photos of the handcuffed victim and sent them to his relatives in Australia, threatening to cut off his fingers if they did not pay the P1 million (about USD 19,000) ransom.

➤ Meanwhile in China, a number of questionable detentions of Canadian citizens took place over the reporting period, in what were believed to be retaliatory actions for the arrest of Huawei heiress Meng Wanzhou in Canada in December 2018. The kidnappers had demanded 200,000 ringgit (USD 49,000) in ransom from the victim’s family in Bangladesh. The dead suspects, who were also Bangladeshi nationals, were believed to be members of a syndicate involved in the kidnapping of Bangladeshi immigrants in Kuala Lumpur and Selangor state. The gang is believed to be behind the kidnapping of at least 13 Bangladeshis in Malaysia.

While militant kidnappings attract more attention, these only constitute a small portion of kidnappings in the region. An example of this is Malaysia, where while there is an underlying terrorism concern, particularly in the country’s eastern territories, crime is the primary security problem for visitors. Violent crime, including kidnapping, is significantly less common than petty crime, but it does occur occasionally. Many cases targeting foreigners in Malaysia are linked to personal or financial disputes with members of their own community, or are cases of immigrants kidnapped by human traffickers.

CASES:

➤ On 12 February, Malaysian police shot dead two suspected kidnappers during a raid aimed at rescuing a Bangladeshi man who had been abducted on 8 February in the Sentul area of Kuala Lumpur. The kidnappers had demanded 200,000 ringgit (USD 49,000) in ransom from the victim’s family in Bangladesh. The dead suspects, who were also Bangladeshi nationals, were believed to be members of a syndicate involved in the kidnapping of Bangladeshi immigrants in Kuala Lumpur and Selangor state. The gang is believed to be behind the kidnapping of at least 13 Bangladeshis in Malaysia.

➤ On 28 February, Thai police arrested five local nationals for the abduction of a Singaporean man. The victim was abducted from the car park of a mall in the Rachada area of Bangkok on 14 February as he was about to go home. He was then taken to a hotel in Chonburi city, where he was forced to pay the gang over 350,000 baht (USD 11,000) for his release. The Singaporean was released on the same day at a nearby gas station. For unknown reasons, the victim only reported the incident on 23 February.

A Bangladeshi migrant worker after his rescue from kidnappers in Malaysia. (The Daily Star)

Four Chinese nationals arrested in the Philippines for the kidnapping for ransom of Australian citizen of Chinese origin. (Philippine National Police)
**Statistics Jan-Feb 2019**

**Kidnapped Foreign Citizens***

**Global And Regional Geographical Distribution Of Victims**

- **Africa**: 36.8%
- **Americas**: 35.2%
- **Asia & Pacific**: 13.6%
- **Europe**: 7.2%
- **Middle East**: 7.2%

### Regional Breakdown

<table>
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<th>Region</th>
<th>Number of Victims</th>
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<td>Africa</td>
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<td>Americas</td>
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<td>Asia</td>
<td>17</td>
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<tr>
<td>Europe</td>
<td>9</td>
</tr>
<tr>
<td>Middle East</td>
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</tr>
</tbody>
</table>

### Geographical Breakdown

- **Africa**: 13.6% Asia, 35.2% Americas
- **Americas**: 36.8%
- **Asia & Pacific**: 7.2%
- **Europe**: 7.2%
- **Middle East**: 7.2%

<table>
<thead>
<tr>
<th>Country</th>
<th>Number of Victims</th>
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<tbody>
<tr>
<td>Libya</td>
<td>19 (41.3%)</td>
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<td>Benin</td>
<td>6 (13%)</td>
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<tr>
<td>Burkina Faso</td>
<td>6 (13%)</td>
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<tr>
<td>Madagascar</td>
<td>4 (8.7%)</td>
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<tr>
<td>Nigeria</td>
<td>4 (8.7%)</td>
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<td>Uganda</td>
<td>2 (4.3%)</td>
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<td>DR Congo</td>
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<tr>
<td>Egypt</td>
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<tr>
<td>Mozambique</td>
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<td>South Africa</td>
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<td>Zambia</td>
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<table>
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<tr>
<th>Country</th>
<th>Number of Victims</th>
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<tr>
<td>Philippines</td>
<td>8 (47.1%)</td>
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<tr>
<td>Mexico</td>
<td>20 (45.4%)</td>
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<tr>
<td>Venezuela</td>
<td>16 (36.3%)</td>
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<tr>
<td>Bolivia</td>
<td>2 (4.5%)</td>
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<td>Colombia</td>
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<td>Haiti</td>
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<td>Peru</td>
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<td>Puerto Rico</td>
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<td>El Salvador</td>
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<tr>
<td>Trinidad &amp; Tobago</td>
<td>1 (2.3%)</td>
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**Notes**

*Statistics for January-February 2019 are drawn from Constellis’ record of 125 kidnapped foreign nationals. Over November-December 2018, Constellis recorded a total of 367 foreign nationals kidnapped across the world.

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**Top 10 Countries For The Kidnapping Of Foreign Citizens In Jan-Feb 2019**

- **Mexico**: 20 (16%) (01)
- **Libya**: 19 (15.2%) (08)
- **Venezuela**: 16 (12.8%) (04)
- **Philippines**: 8 (6.4%) (05)
- **UAE**: 3 (33.3%) (07)
- **Yemen**: 3 (33.3%) (03)
- **Kuwait**: 1 (11.1%) (10)
- **Syria**: 1 (11.1%) (09)
- **Turkey**: 1 (11.1%) (06)
- **China**: 3 (2.4%) (02)
- **Malaysia**: 4 (3.2%) (06)
- **Nigeria**: 4 (3.2%) (08)
- **Madagascar**: 4 (3.2%) (07)
- **Burkina Faso**: 6 (4.8%) (09)
- **Benin**: 6 (4.8%) (10)

* (Number of Victims)
KIDNAPPED FOREIGN CITIZENS

REGIONAL ORIGINS OF VICTIMS

- LATIN AMERICAN (34) 27.2%
- NORTH AFRICAN (20) 16%
- EUROPEAN (16) 12.8%
- CENTRAL ASIAN (1) 0.8%
- UNKNOWN (4) 3.2%
- MIDDLE EASTERN (5) 4%
- SOUTH ASIAN (10) 8%
- SOUTHEAST ASIAN (11) 8.8%
- AFRICAN (11) 8.8%
- NORTH AMERICAN (13) 10.4%

MOST VICTIMIZED SINGLE NATIONALITY

- Tunisian
- American
- Cuban
- Honduran
- Russian
- Trinidadian
- Chinese
- Canadian
- Malian
- Bangladeshi

MOST VICTIMIZED ORIGIN BY REGION

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<th>ORIGIN</th>
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<td>Africa</td>
<td>North Africans</td>
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<td>Americas</td>
<td>Latin Americans</td>
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<td>Asia &amp; Pacific</td>
<td>Southeast Asians</td>
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<tr>
<td>Europe</td>
<td>South Asians &amp; Latin Americans</td>
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<td>Middle East</td>
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VICTIMS BY OCCUPATIONAL SECTOR

- UNSKILLED: 26.4%
- OTHER: 13.6%

DISCLAIMER: These statistics herein presented are the result of a compilation of kidnapping incidents involving foreign nationals only, which have been reported in the media and other open sources. The information contained and its results are therefore partial as result of the incomplete nature of open-source material. Thus, this report should be taken only as a reference of general trends, taking its limitations into consideration.
Hostile maritime activity nearly tripled in the January – February 2019 period compared to the previous two months. Criminal boardings were once again the most common type of incidents, with 21 reported occurrences. Eight hijackings were also recorded, up from six during the November – December 2018 period. The increase in piracy over January and February was largely attributed to a rise in hostility in the Gulf of Guinea, which remains the area worst affected by piracy worldwide. This is consistent with a trend observed since 2014, and reaffirmed over 2018, in which the Gulf of Guinea (GoG) has become the primary global piracy hotspot, surpassing the levels of pirate activity off the coasts of East Africa. The International Maritime Bureau (IMB) recorded 201 incidents of piracy and armed robbery worldwide in 2018, up from 180 in 2017 and marking the first increase in piracy since 2015. 40% of all incidents in 2018 took place in the Gulf of Guinea. Meanwhile, the rise in global piracy over January and February 2019 was also fuelled by instability in Latin America, where five incidents - including two hijackings in the Columbus Channel - were observed during the period. This activity was largely motivated by the deterioration of political, economic and security conditions in Venezuela. Enduring instability in the country is likely to prompt further incidents into the coming months.

A downward trend was observed in the Gulf of Aden and the wider East Africa region over January and February 2019, with three recorded incidents, compared to four in the previous two months. All three incidents were suspicious approaches. Two occurred in Yemen, underlining the continued presence of pirates in the area. The third suspicious approach took place off Mahe, Seychelles. Notably, incidents in the region over 2018 were predominantly concentrated off Yemen's coast. A downward trend since November 2018 indicates that the UN-brokered Hodeidah ceasefire has had some positive effect on maritime security. Notwithstanding, the conflict in Yemen remains fundamentally unresolved, with instability in both Yemen and Somalia continuing to threaten commercial shipping in the region.

Piracy in the GoG increased over 50% in the reporting period, compared to the previous two months. Criminal boardings accounted for nearly 50% of all recorded incidents. Remaining activity comprised of eight armed attacks, six hijackings and three suspicious approaches. The majority of incidents recorded over January and February were once again concentrated within the Nigerian Exclusive Economic Zone (EEZ). Overall, the GoG is expected to remain the world’s piracy hotspot for the foreseeable future. Armed attacks, kidnappings for ransom and theft-related boardings will likely continue to be the most common types of incidents, with the majority taking place off Nigeria. In the short term, the southern Nigerian dry season (November – April) will continue to facilitate piracy by allowing smaller skiffs to operate further offshore.

Hostile maritime activity in Southeast Asia subduced over the first two months of 2019, with three recorded incidents, compared to six over November – December 2018. All recorded incidents during this reporting period were criminal boardings. Piracy and armed robbery in the region has been decreasing steadily in recent years: According to the Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia (ReCAAP), there were 76 actual and attempted incidents in 2018, the lowest recorded figure since 2009. Most incidents reportedly involved up to six perpetrators, with knives and machetes as the most commonly used weapons. Crew were reported safe in more than 81% of incidents. Nevertheless, the threat of major attacks in the region, such as kidnappings, remains credible. Poverty and extreme wealth disparity in littoral countries continues to motivate both lone criminals and organized groups to target vessels transiting the region. The militant organization Abu Sayyaf Group (ASG) also continues to pose a threat in Southeast Asia. Due to the threat of abduction of crew in the Sulu-Celebes Seas and waters off eastern Sabah, vessels continue to be advised to reroute from the area if possible.

**CASES:**

- At approximately 0530hrs on 3 February, an unspecified number of pirates boarded Landing craft Laetitia V, approximately 75 nautical miles southwest of the Agbami Terminal in Nigeria. The Marshall Islands-flagged ship, owned by MHA Shipping and operated by Switzerland’s Horn Maritime, was reportedly en route from Benin’s Colonou to Nigeria’s Onne Port. Three unidentified crewmembers were kidnapped, while the remaining crew sailed to safety to the Port of Bonny. No ransom demands were made public after the incident and no further details have been disclosed. This was the first incident recorded offshore Nigeria since October 2018 and the deepest offshore hijacking recorded since November 2016, underscoring the fact that Nigerian piracy groups retain the capability to target vessels at extended distances across the Nigerian EEZ.

- Five Trinidadian fishermen and a minor were kidnapped by several Venezuelans on six speedboats while fishing near the border with Venezuela on 29 January. The kidnappers, armed with AK47 and AR15 guns, are believed to be members of a pirate gang that controls Venezuela’s Manamo River. The abduction was purportedly orchestrated by a Trinidadian with links to the gang, which is engaged in trafficking of guns and drugs. A USD 200,000 ransom was demanded for the victims’ release. Reportedly, the fishermen’s relatives were given until 30 January to pay half of the ransom, or the hostages would be dismembered. A photograph of five of the hostages was also posted on social media, showing the victims being held at gunpoint. On 30 January, one of the six victims was returned after his family paid USD 30,000. A second payment of approximately USD 60,000 in cash, gold jewellery and boat engines was delivered on 2 February. This kidnapper released all other hostages unharmed on 7 February.

- In a video posted on Facebook on 14 February, the ASG threatened to behead three fishermen (two Indonesians and a Malaysian) if it is currently holding, unless a ransom is paid for their release. The trio were abducted from their fishing trawler in eastern Sabah waters on 5 December 2018. According to Indonesian authorities, the ASG is demanding a RM 3 million (about USD 736,000) ransom, although it is unknown if the sum is for all or each of the hostages. Meanwhile, reports indicated the video surfaced several days after ASG militants called the Malaysian victim’s wife, threatening her that the hostage would face “difficulties” if there was no contact from Malaysia. The Sabah Police Commissioner stated the Malaysian government is working with the Philippines to rescue the hostages. All authorities stressed they will not negotiate with terrorists.

**Trinidadian fishermen kidnapped by Venezuelan pirates. (inewsguiana.com)**
It has been estimated that the global average cost to organizations from cyber-related crime increased by 15% from 2017 to 2018, costing companies approximately USD 1.6 million per attack. US organizations were worst affected, with cybercrime costing USD 27.4 million on average per company. Overall, attacks on prominent sectors and industries are estimated to have resulted in global financial losses of USD 1.5 billion over the year.

While 2017 saw the rise of ransomware, 2018 saw the propagation of ‘next generation’ cyber threats, including cryptojacking and attacks on IoT/mobile devices. The 2018 European Union Agency for Network and Information Security (ENISA) report on cyber threats and trends identified malware, phishing, denial of service, spam, and data breaches amongst the top threats to cyber security in 2018. While almost identical to the 2017 threat landscape, two significant observations were made: firstly, the incorporation of cryptojacking attacks into the top 15 threats, and secondly, the drop of ransomware by seven places in the ranking. Indeed, cryptojacking events were thought to have increased four-fold from 2017 to 2018, overtaking ransomware as the chief form of cybercrime, as ransomware detections declined by 20% in 2018.

The rise of cryptojacking malware in 2018 can be attributed to a number of factors. Most significantly, cryptojacking attacks are less risky to cybercriminals. They are intended to be stealthy and hard to detect, meaning they can be embedded within an organisation’s servers for a lengthy period of time - unlike ransomware which is designed to overtly hold files to ransom. As such, these infections can generate vast revenue streams over longer periods of time, particularly when larger organisations have been compromised.

At their height in 2018, cryptojackers were estimated to be affecting 40% of organisations globally, a significant increase compared to the end of 2017, when approximately 21% of organisations had been impacted. Due to its rising prominence over 2018, cryptojacking malware also attracted greater attention from security providers. A marked shift in the sophistication of cryptojacking attacks was subsequently observed, with cybercriminals applying more refined methods of evasion to bypass security measures. These included implanting mining malware into authentic applications. While cryptojacking events declined over the course of the year in correlation to the drop in the value of cryptocurrencies, cryptojacking malware is expected to remain a widespread threat to organisations in 2019.

Meanwhile, overall ransomware detections declined in 2018, most likely the result of improved awareness and the increased number of decryption tools available to users, enabling them to retrieve data without having to pay any ransom. However, ransomware attacks still remained a major threat factor at enterprise level, reportedly affecting 46% of organisations. In the past ransomware affected consumers more than organisations, this switched in 2018. This was due, at least in part, from a tactical shift in the choice of targets and distribution of ransomware attacks. Rather than running out large-scale, widespread campaigns, cybercriminals downsized; shifting toward targeting specific organisations. They also tailored attacks to target critical IT infrastructure - thereby ensuring a greater probability of success and ransoms being paid. By researching and being selective in their choice of targets, cybercriminals could identify security weaknesses to exploit, and demand custom-made ransoms, scaled to the size and wealth of victimised organisations.

Despite the drop in ransomware attacks last year, there was a converse increase of 33% in mobile ransomware detections, continuing a year-on-year increase of mobile malware threats. This is an area still largely overlooked, with industry experts reporting in November that about 59% of IT professionals do not use solutions to secure their mobile devices from cyberattacks.

Threats to the mobile sector are only expected to continue to amplify as the market continues to grow globally. Other emerging threat factors over 2018 were increases in state-sponsored attacks and malicious attacks targeting cloud databases. Malicious attacks on IoT devices also proliferated exponentially last year, often as a result of manufacturers overlooking security in favour of mass production. Meanwhile, high-profile data breaches persisted over the year, with the Marriott hotel chain and British Airways amongst some of the most notable cases.

Looking toward the 2019 cybercrime landscape, nation states are expected to continue to enhance their cyber-attack capabilities, seeking to disrupt businesses and governments of rival powers. Cybercriminals will also continue to challenge mobile and cloud-based solutions, as organisations increasingly turn to these to enhance their business processes. In spite of this, both areas are often overlooked when it comes to cyber security, something cybercriminals will seek to exploit. While ransomware and cryptojacking attacks both tailed off toward the end of 2018, they will still pose a significant threat to organisations, particularly due to increased sophistication around their distribution. High-profile data breaches will also inevitably reoccur due to human error or insider threats.

Cryptomining (or cryptojacker) malware hijacks a device’s resources and computing power to mine cryptocurrency without the user’s knowledge. While turning a profit for cybercriminals, these viruses simultaneously damage the performance of the user’s machine. This can have a significant impact on productivity and profitability for companies due to the cumulative effect of numerous machines being potentially infected within the same organisation.

CASES:
- February 2018. Check Point Software discovered one of the largest malicious cryptomining operations ever found. Cybercriminals exploited Jenkins CI servers, deploying cryptojacking malware that mined Moreno. The JenkinsMiner campaign, believed to have originated in China in mid-2017, was thought to have profited its authors over USD 3 million worth of Moreno at the expense of users and organisations utilizing Jenkins servers.
- March 2018. A SamSam ransomware attack against the government of Atlanta affected multiple services for over a week. The City of Atlanta reportedly spent USD 2.7 million to repair damage caused by the attack. The cybercriminals had reportedly demanded a ransom of USD 7,000 per infected computer, though Atlanta officials did not confirm if any ransom was paid.
- November 2018. A large-scale data breach of the Marriott-owned Starwood Hotels exposed over 500 million customer records. This was the second largest data breach ever recorded and included customer names, postal addresses, phone numbers, email addresses, passport numbers and travel information.

Cyber threat landscape 2017 vs 2018 (ENISA Threat Landscape 2018)
BY SCOTT PLATZER

The 2018 general election in Mexico occurred in the context of a dramatic and spiraling security and political crisis. As such, it was the implicit mandate of the elected candidate to reverse the trend. Indeed, the election of populist-left Andrés Manuel López Obrador (AMLO) was hoped to be an inflection point, with his aspirational vision having indicated that drastic changes were ahead.

However, these changes have proven to be mostly populist in nature, including a heavy reliance on the empowerment of the Mexican working class. As history has proven repeatedly, unleashing class conflict is a political strategy that is as fraught as it is powerful, with the potential for unintended consequences. Unfortunately, the Mexican case has shown itself to be no different in this regard. An example of this is the “20-32 movement,” a campaign of labour unrest in northern Mexico, which has the potential to spread across the entire border region and beyond, disrupting international business and bringing security and reputational risks for companies.

The 20-32 movement was born in the border town of Ciudad Juarez, Chihuahua, in December 2018. Following an extensive social media campaign, it soon reached the city of Matamoros, Tamaulipas, where it reached its zenith. Matamoros has strategic importance for the Mexican economy, as it has been the receptor of the US markets.

Northern Mexico’s stable labour environment was shaken just a few days after AMLO was elected president, as he announced the largest national minimum wage increase in 23 years, including a doubling of the minimum wage along the US-Mexico border. This decision failed to take into account that union labour contracts along the border were fixed and only adjusted each year in December at approximately the rate of inflation. Thus, many manufacturers decided to disregard the newly decreed rates, which led a number of unions to declare a general strike. Class-based injustice, a slogan that ushered AMLO and his MORENA party into power, was their main protest theme. As such, AMLO was forced to stay on the sidelines, not wanting to antagonize his support base.

Strikes began in Matamoros in early January and ultimately involved about 10% of the city’s 257,000-strong manufacturing labour force. By mid-month, delegations from international labour unions had arrived to assist the workers. El Paso-based labour activist Susana Prieto Terrazas became the de facto spokesperson for the workers, helping them resist pressure from their unions to compromise. Finally, in early February, suffering staggering losses estimated at USD 50 million per day, manufacturers yielded, agreeing to an across-the-board 20% pay raise and one-time bonus payment of MX$ 32,000 (approximately $1,700), which had inspired the group’s “20-32” moniker. The capitulation not only cost companies millions of dollars (approximately USD 42 million in one-time bonus payments alone), but also casts doubt on the future of labour relations across the entire border region.

The manufacturing workers’ victory inspired other workers across Matamoros and elsewhere. If left unchecked, the “20-32” could potentially become a national movement, amid indications it has already shifted to other cities and states. Strikes and demonstrations linked to the movement are already being reported in Ciudad Victoria, Tamaulipas’ capital, and are also starting to appear in a number of border cities across Baja California, Sonora and Chihuahua, particularly Reynosa, Ciudad Victoria, Agua Prieta, Mexicali y Ciudad Juárez.

The movement also has wider security implications. In the context of a prevalent presence of highly opportunistic organized crime groups in the region, it is difficult to imagine how such syndicates will ignore the influx of over $40 million into the workers’ pockets. Moreover, although entirely speculative, it is possible that these groups, witnessing the power of organized labour, will co-opt or instigate future conflict in order to extract further concessions. Furthermore, corruption trends in Mexico are not inspiring. Falling in Transparency International’s Corruption Perceptions Index for three consecutive years, Mexico was ranked as the 138th least corrupt country out of 180 in 2018. With increasing corruption across all segments of Mexican society, one cannot avoid wondering how much of the funds will actually remain in the hands of its intended beneficiaries.

Recent discussions with influential business and community leaders in Nuevo León and Sonora have not painted a promising picture. Those with insight into MORENA suggest that AMLO is struggling with the transition from an aspirational campaign rhetoric to practical and effective policy. Trying to dispel flight-of-capital concerns and reduce the influence of criminal syndicates, in the context of labour conflict, are proving difficult for AMLO and his party to counter effectively, particularly without betraying the ethos of their populist rhetoric.

In this context, international businesses, particularly those in northern Mexico, should prepare for increased violence and security risks associated with labour conflict, exacerbated by the influence of powerful criminal syndicates and corruption. Thus, companies should ensure that their crisis management and crisis communications plans are robust and up-to-date, particularly as social media savvy labour agitators continue to draw international attention. While it is too early to tell whether the worst-case scenario will materialize, the conditions certainly exist for a significant deterioration in the state of affairs in the border region over the coming months. This may also affect the rest of the country as the labour conflict broadens and intensifies. Preparation and informed analysis will be key for affected companies hoping to avoid the risks that will accompany a potentially explosive situation.
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