

**SPRING
2023**



FIRST LOOK!

2022 vs. 2021 Comparison
of Kidnaps by Region

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Victim Types and
Employment Level

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Safe Travel Tips From Our
Own Kevin Henry

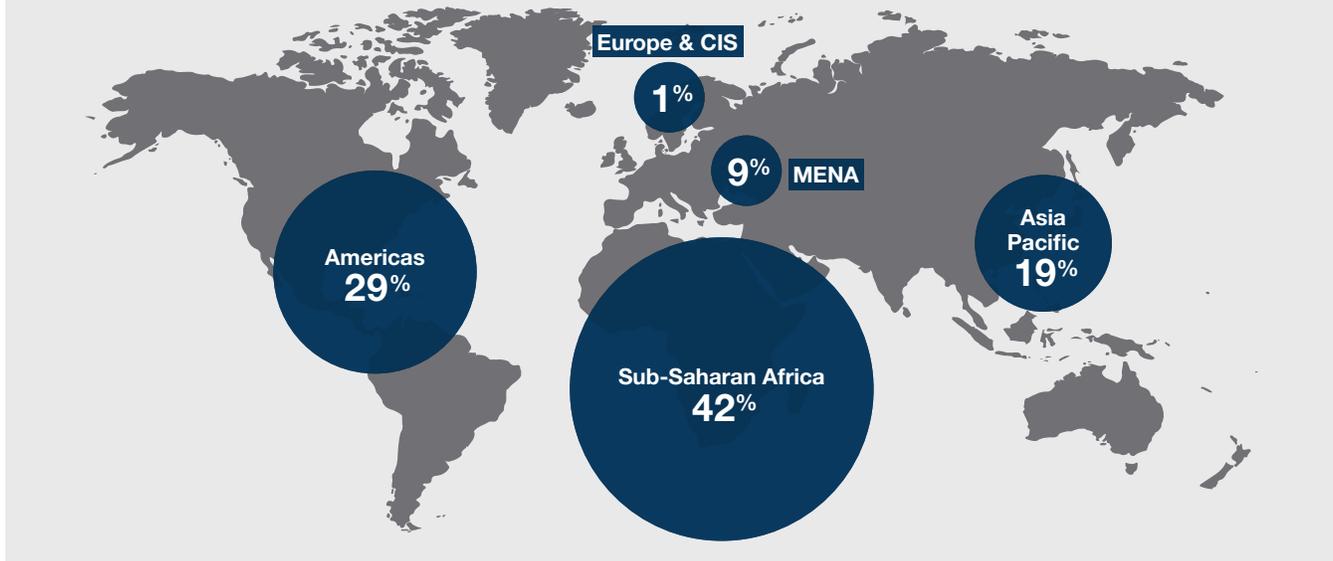
Kidnap & Ransom **INSIGHTS**

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Kidnaps by Region

2021 Compared with 2022



Mexico Q&A

Eduardo Arcos, Senior Analyst

Control Risks

Will Mexico remain a kidnapping hotspot for 2023? And why?

Kidnapping will remain a primary security concern for both businesses and individuals in Mexico during 2023. The country continues to record more cases than any other in the Americas while the true incidence is significantly higher amid chronic underreporting. Highly capable kidnappers, who specialize in this type of crime, continue to operate throughout the country, including in major business hubs. Despite government initiatives to improve the wider security environment, criminals will remain emboldened to carry out kidnaps for ransom given both their capabilities and the financial incentives associated with the crime.

Are there specific parts of Mexico that are riskier than others or that should be avoided altogether?

Multinational businesses will continue to operate successfully across Mexico despite the enduring threat of kidnap and the challenges posed by the wider security environment. Security threats,

including kidnapping, do not pose an insurmountable challenge for business operations anywhere in Mexico. Specific regions of the country do have a higher frequency of kidnapping. Areas include northern border states like Tamaulipas and Baja California, which are large manufacturing hubs, as well as states with large urban areas like Nuevo León, Mexico City, Mexico State, Jalisco and Guanajuato. Businesses operating in these locations are recommended to employ appropriate security measures in order to mitigate high kidnapping risks. By contrast, states with lower kidnapping rates than the national average include Yucatán, Campeche and Baja California Sur, although the threat is by no means negligible.

Are there 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. Clients are advised 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.

Has there been a change in demand amounts or types of demands?

Demand amounts have remained stable over the past year. However, the size of demand varies significantly depending on the kidnap target and their apparent socioeconomic level. Demands also vary depending on the perpetrators. Cases involving organized criminal groups like the Jalisco New Generation Cartel (CJNG) or La Familia Michoacana tend to involve higher demands than those involving urban kidnapping rings or gangs.

Highly capable kidnapers, who specialize in this type of crime will continue to operate throughout the country, including in major business hubs.

Are only local nationals at risk for kidnapping? Are short term business travelers at risk?

While the overwhelming majority of kidnap victims are local nationals, short term business travelers face credible threats, especially dual Mexican-US nationals who might be perceived to be locals. Additionally, cases involving short-term travelers from the US to border cities such as Tijuana take place. In these cases, many victims are selected based on their perceived wealth. Nevertheless, the more unpredictable patterns of activity of visitors and short-term travelers make them more challenging for kidnapers to target.

What other risks do U.S. clients face in Mexico?

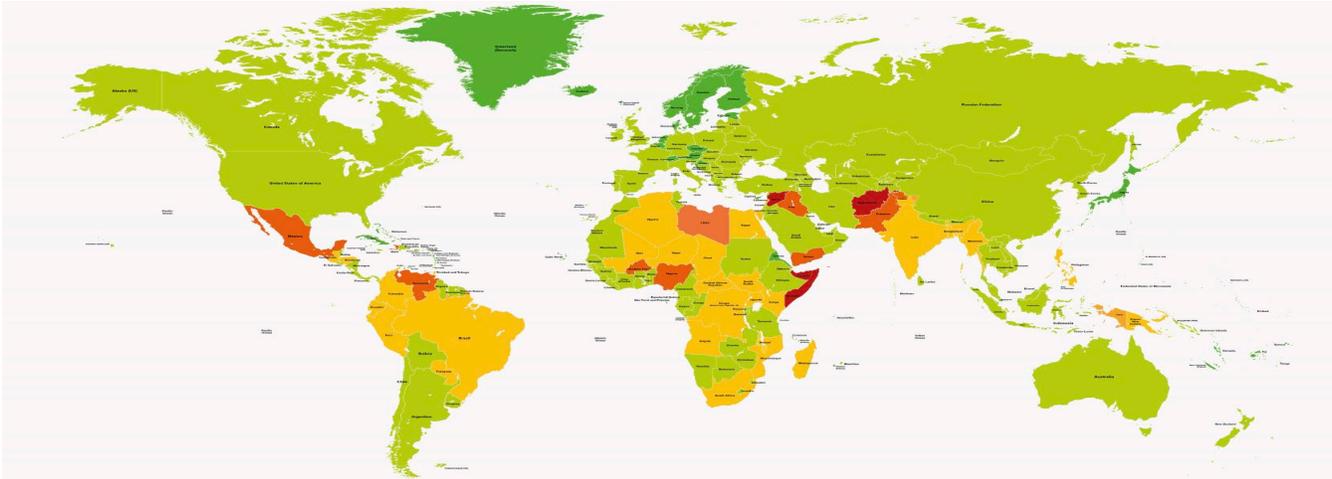
Express kidnapping is a threat in most major urban areas in the country, including Mexico City, Guadalajara, Monterrey and Puebla. The higher risk is attributed to the range of potential victims, ease of access to cash and the range of possible escape routes from the abduction point. Because the crime is opportunistic and has a very short duration, express kidnapers are not deterred from targeting foreigners who are perceived to be vulnerable at a given time or place. Additionally, in major cities express kidnaps are perpetrated during taxi rides. Control Risks has recorded cases whereby taxi drivers are co-opted by criminal gangs to conduct the crime.

Telephone extortion is the most prevalent type of special risk in Mexico. The crime takes place on a daily basis and has numerous variations. Although most telephone extortion attempts are perpetrated by low-level criminals and scammers, cases with high levels of sophistication do occur. Virtual kidnapping poses a credible threat to US citizens in Mexico, including businesspeople on short trips. Virtual kidnapers in Mexico are among the most sophisticated globally and employ a variety of tactics to deceive their victims and their relatives to make financial payments. Virtual kidnaps in Mexico can extend beyond a 24-hour period and take place in both semi urban locations and large cities.

What experience does Control Risks have in Mexico and working on Mexico incidents?

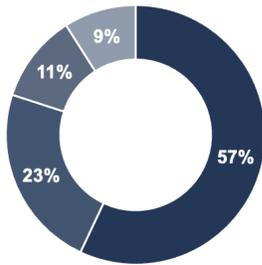
Control Risks responds to more kidnapping-for-ransom cases in Mexico on a yearly basis than in any other country globally. Response cases in all regions of the country, include providing advice and guidance to families and multinationals in a broad range of sectors. These sectors include oil and gas, automotive, manufacturing, energy and agriculture, among others. These cases are often perpetrated in high-risk locations, such as the Gulf Coast and the northern border region, with an entrenched presence of major organized criminal groups. In addition to kidnap-for-ransom, there are frequent responses to threat extortions, including demands for operating taxes, and a large number of virtual kidnap cases.

Kidnaps Worldwide 2022

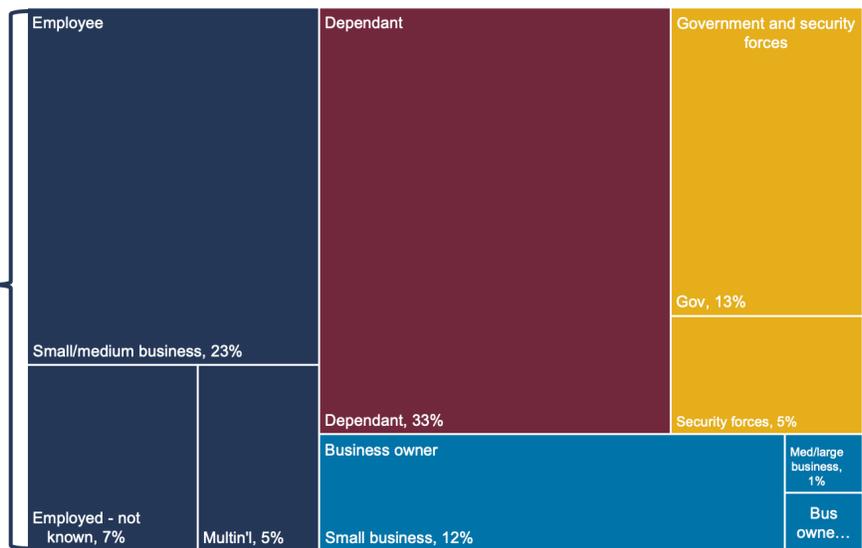


Victim Types and Employment Level

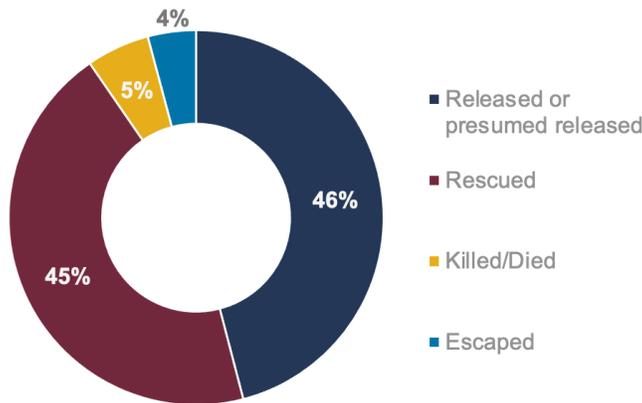
Employee victims, employment level, 2022



- Employee - Entry Level
- Employee - Middle Management
- Employee - Senior Executive
- Contractor/Freelance



Kidnap Outcomes



Outcomes

Media reporting on victim outcomes is biased towards the more 'newsworthy' stories where victims are killed or rescued. **In reality 95%+ of incidents are resolved successfully, often through negotiation.**

The Three Tenets of Safe Travel

Kevin Henry, Divisional Assistant Vice President

Fidelity / Crime Division, Great American Insurance Group

People are the greatest asset of any company, so keeping employees safe is a top priority. For many employees, international travel is part and parcel of the job, be it visiting a plant in Mexico City or a construction site in Manila. International travel comes with the increased risk of being targeted by criminals. Simple steps can be taken to minimize the risks. Applying common sense and remembering the three tenets of safe travel, being Alert, Anonymous and Unpredictable, can go a long way to keeping business travelers safe.

Alert

The key to avoiding most crime is being alert to your surroundings. When walking through an airport or down city streets, walk purposefully, staying aware of who and what is around you. Avoid crowds, loud conversations, and arguments. Rather than standing in the middle of a sidewalk to read tourist maps, go into a nearby coffee shop. If you suspect someone is watching or following you, turn around quickly, walk the other way, and enter a store or office building. Speak to a security guard, doorman or police officer. Avoid demonstrations or large gatherings. You can check the U.S. State Department website (www.travel.state.gov) for a list of expected international holidays, demonstrations, parades, or rallies.

Anonymous

American travelers tend to stand out in terms of dress, manner, and potential lack of foreign language skills. When traveling overseas, it is important to blend in with the locals as much as possible. Dress casually where possible and avoid clothes or backpacks with American flags, sports team insignia or other identifying marks. Leave flashy jewelry at home. Watches earrings, and diamond wedding rings make for easy targets.

Remove identification cards from your luggage. Instead, use a luggage tag that contain first initial, last name, and a mobile number. Remove 'pocket litter', such as business cards, itineraries, and hotel bills, from clothing.

Finally, do not offer personal information, including place of employment, accommodations, and place of origin. This information is valuable to criminals. Be aware of probing strangers, that might be watching or casing for crimes.



Unpredictable

It's easier for criminals to target people who follow a pattern. Schedules naturally tend to be unpredictable when away for short periods due to the diversity each day holds. It's important to continue this unpredictable pattern when away for longer periods. Leaving the hotel at different times, using different hotel exits and entrances, taking different routes when walking or driving and dining at different restaurants all help to vary the routine.

How to keep safe at the airport

- When traveling to unfamiliar countries, arrange to be met at the airport by a local contact.
- If a driver is scheduled for pick-up, ask for the driver's photo and identification number or for a codeword. On arrival, check that the details match.
- If unable to arrange a driver beforehand, always use official airport taxi queues and never enter unlicensed cabs.

How to keep safe in taxis

- When taking unmetered taxis, always agree to the fare before starting the journey. Do not attract attention by arguing with an unscrupulous driver.
- Ask hotel staff or local contacts to advise on appropriate fares to common destinations.
- Always sit in the rear of the taxi, lock the doors, and keep the windows rolled up.
- Do not display large amounts of cash when paying the driver.

How to keep safe at hotels

- Criminals often target hotels for their tourists. Use different hotel entrances and exits and keep schedules unpredictable.
- When booking a hotel, ask a local contact for safe recommendations.
- Book rooms that are above the second floor (lower floors are more vulnerable to robberies) and below the fifth floor (still low enough for a rescue ladder to reach in the event of an emergency).
- When in the room, always lock the door using all available locks.
- Use the peephole to identify those who knock, never open the door to a stranger or unexpected visitor.
- When leaving a hotel, use a client or hotel approved driver or have the hotel call a taxi from their approved list.

International travel can be an enriching and enjoyable experience, but reasonable precautions are key to your safety. Remember to apply the three safe travel tenets – being Alert, Anonymous and Unpredictable – to help minimize the risks while away.





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Fidelity / Crime Division



**Great American
Insurance Group**

Fidelity / Crime Division

5 Waterside Crossing
Windsor, CT 06095



Kevin Henry

kahenry@gaig.com

610-213-3133

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