constellis

KIDNAP+ RANSOM INSIGHT

GLOBAL SUMMARY

FOCUS ARTICLE

THE BIDEN ADMINISTRATION'S FOREIGN POLICY

March

2021 REPORT

WWW.CONSTELLIS.COM

KIDNAP+
RANSOM
INSIGHT

March

2021 REPORT

EXECUTIVE SUMMARY

SUMMARY

This issue of Constellis' Kidnap for Ransom Insight Report covers global kidnapping incidents and trends for the months of January and February, as well as March 2021. 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 2021 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 countries for the kidnapping of foreign nationals over the reporting period. Additionally, statistical information for the period of March 2020 – February 2021 can be found on page 17.

The Global Piracy Update gives an overview of the piracy threat by region, providing trend analysis for January and February 2021, as well as sample cases that took place during these months to illustrate identified trends.

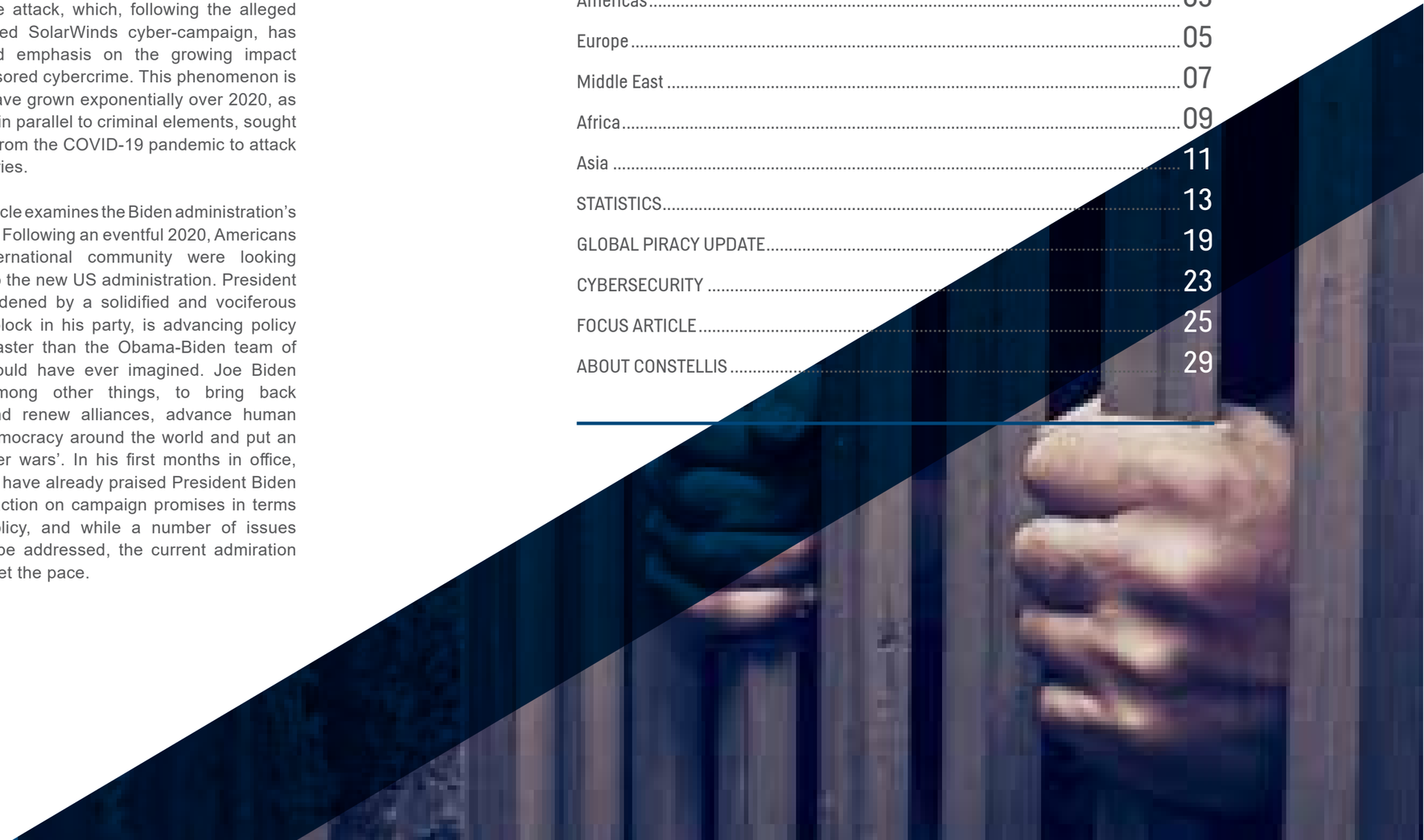
The Cybersecurity section examines current issues affecting companies and individuals in the realm of IT security. This edition provides an insight to state-sponsored cyberattacks. In early March 2021, Microsoft announced that its Microsoft Exchange System had been subject to a major breach, with experts indicating that hundreds of thousands of organisations may have been affected globally as a result. Chinese-backed hackers are suspected to be behind the attack, which, following the alleged Russian-backed SolarWinds cyber-campaign, has placed added emphasis on the growing impact of state-sponsored cybercrime. This phenomenon is believed to have grown exponentially over 2020, as these actors, in parallel to criminal elements, sought to also profit from the COVID-19 pandemic to attack their adversaries.

The Focus Article examines the Biden administration's foreign policy. Following an eventful 2020, Americans and the international community were looking expectantly to the new US administration. President Biden, emboldened by a solidified and vociferous progressive block in his party, is advancing policy further and faster than the Obama-Biden team of 2008-2016 could have ever imagined. Joe Biden promised, among other things, to bring back diplomacy and renew alliances, advance human rights and democracy around the world and put an end to 'forever wars'. In his first months in office, world leaders have already praised President Biden for his swift action on campaign promises in terms of foreign policy, and while a number of issues remained to be addressed, the current admiration has already set the pace.

 Commercial in Confidence & Subject to Contract. © Copyright Constellis 2021. All rights reserved.

TABLE OF
CONTENTS

GLOBAL OVERVIEW 03
Americas 03
Europe 05
Middle East 07
Africa 09
Asia 11
STATISTICS 13
GLOBAL PIRACY UPDATE 19
CYBERSECURITY 23
FOCUS ARTICLE 25
ABOUT CONSTELLIS 29



GLOBAL OVERVIEW

AMERICAS

Over January and February 2021, the Americas saw another peak in kidnapping incidents targeting foreign nationals, the highest recorded by Constellis since May-June 2019. This was linked to a series of mass kidnappings of Central American migrants in Mexico and the US. Though travel restrictions remain in place, this is a clear sign that migrant flows have resumed at heightened levels. In February alone, nearly 100,000 migrants were arrested by US border agents, the highest monthly total since a major surge in mid-2019. Besides the worsening economic climate in countries of origin, it is possible that the increase is a result of changes in US migration policies. One of these, which was implemented during the last months of the Trump administration, was a halt in the use of detention facilities for migrants at the border, due to COVID-19 concerns. As such, the great majority of arrested migrants are immediately sent back to Mexico, after being quickly processed. This has reportedly resulted in undeterred migrants attempting to cross several times. The second and most significant change was the Biden administration's promised reversal of Trump's hard-line migration policies. In a first step, President Biden ordered a provisional halt of the 'Remain in Mexico' programme while it is under review. It is believed that this decision may have encouraged more migrants to undertake the journey. The large migrant flows will continue to be exploited by organised criminals on both sides of the border, finding in them a large pool of vulnerable victims. This is the case with the Sinaloa Cartel, which in recent months has markedly increased kidnapping activities as part of its campaign of violence and criminal expansion, also targeting expatriates and foreign tourists.

CASES:

- On 3 February, Tamaulipas state police rescued 49 kidnapped migrants from a rural area of Reynosa city. The authorities had been alerted to the migrants' plight by a concerned neighbour who heard cries for help coming from a property. Eight Mexicans, five Guatemalans, 14 Salvadorians and 22 Hondurans were rescued in the ensuing security operation. The victims reported they had been held against their will by human traffickers, who demanded extra payment and threatened to hand them over to a cartel if they did not pay. Less than two weeks later, another six Central American migrants were rescued during two separate operations in the same area. At least one of the incidents was linked to the Gulf Cartel.

- On 8 March, an American female was rescued in a joint operation of the Mexican Federal Police and the military. It is reported that the woman had been held hostage since February 2020 by members of the Sinaloa Cartel. Three suspects were arrested during the raid, which took place in Culiacan, Sinaloa state's capital city. No more details were provided by the Mexican authorities. Also attributed to the Sinaloa Cartel was the abduction of a businessman in the construction sector, in Rosarito, Baja California state, on 3 March. Less than 24 hours after the kidnapping, the criminals contacted the businessman's family to demand a ransom of MXP 200 million (approximately USD 9.7 million). The man was rescued in a security operation six days later. Two cartel members were also arrested in the raid.

Mexican security forces arrest three members of the Sinaloa Cartel who had held an American citizen hostage since February 2020. (Photo: Infobae)

Commercial in Confidence & Subject to Contract. © Copyright Constellis 2021. All rights reserved.

A number of kidnappings attributed to Colombian militants over the reporting period, including those of foreign nationals, have shown that this crime, although steadily decreasing following the signing of the peace agreement, is an ongoing concern in the country. Most importantly, such kidnappings demonstrate the fragility of the pact, as a large number of units have broken away from the Revolutionary Armed Forces of Colombia (FARC) central command, acting as independent entities and not abiding by the agreements. However, their activities also extend far beyond kidnapping to include an array of criminal enterprises, with the use of violence a common feature. The current security situation is particularly concerning in regions such as Catatumbo, Cauca and Arauca, where most violent incidents occur, with various conflicts pitting guerrilla groups, paramilitaries and criminal gangs against each other for territorial dominance. Meanwhile, in Haiti, the kidnapping situation endures unabated as gangs continue to consolidate power, particularly in Port-au-Prince and its environs. While President Jovenel Moïse has enacted a series of measures such as large anti-gang security operations, curfews, stricter customs controls to stop arms entering the country, and the prohibition of tinted windows on vehicles, their ineffectiveness has only served to highlight the current regime's inability to deal with the problem. This in turn has exacerbated civil unrest, further fuelling instability and insecurity in the country.

CASES:

- On 30 January, two dual nationals were kidnapped while visiting an indigenous reserve in Colombia's Cauca region. The victims were identified as Colombian-Canadian Stephen Grajales Ocampo, and Colombian-Italian Erik Galantini. Neither the Canadian nor the Italian government has commented on the incident. While no group has claimed the abduction, Colombian authorities have attributed it to the FARC dissident group Columna Dagoberto Ramos Ortiz. No more information has been released since the event took place and it is unknown whether the dissidents have made any demands in exchange for the victims' release.

- Two Dominicans were kidnapped along with their Haitian interpreter on the outskirts of Port-au-Prince, on the night of 20 February. The men, who are film technicians, were abducted while returning to the Haitian capital with a large entourage after filming in the city of Jacmel, in the south of the country. It is reported that the group comprised a number of foreigners, including French and Colombian nationals, and that they were being escorted by police at the time of the attack. Local media said that the kidnappers had demanded a ransom of USD 2 million for the release of the three men and their equipment. Some sources claimed that the gang had also demanded the release of former Haitian mayor Youri Chevry, who was recently arrested in the Dominican Republic. The victims were released on 26 February in unknown circumstances.

- A Pakistani businessman was rescued by Brazilian police 16 days after his abduction in Sao Paolo. The kidnappers reportedly called the victim's family on the fifth day of his captivity and demanded a ransom of USD 46,000. The gang later sent them a video showing the hostage being tortured, aimed at pressuring them to pay. The police advised the family during the negotiation while investigators tried to locate the victim. The foreign businessman was rescued in a security operation in the locality of Diadema, which also resulted in the arrest of two suspects. Other individuals involved in the kidnapping are still being sought. The businessman was abducted in front of his home in the Sao Paolo suburbs on 20 January, by three armed men impersonating police.

Members of FARC dissident group Guerrillas Unidas del Pacífico. (Photo: Infobae)

Commercial in Confidence & Subject to Contract. © Copyright Constellis 2021. All rights reserved.

EUROPE

Europe also saw a significant increase in cases involving foreign victims over the first two months of 2021, jumping from only three incidents over November-December 2020, to 14. Nonetheless, the region recorded the lowest incidence of kidnappings of foreigners over the reporting period. The increase was linked to an unlawful detention (by kidnapping) and forced deportation of refugees in Lesbos, Greece. According to NGOs working with refugees in Greece, this is the first such incident registered in the country. However, judging by the prevailing strong anti-refugee sentiment, they assess that more of these cases will be observed throughout the year. According to a poll carried out in late 2020 by London-based research company YouGov, in seven out of eight European countries there has been an increase in demands for a reduction in immigration. Anti-immigration sentiment was strongest in Greece, with nearly four in five Greeks calling for a halt to immigrant flows. In addition to long-standing issues regarding European immigration policy, the COVID-19 pandemic has had a significant role in promoting this sentiment across the region, as well as far-right positions in general. These sentiments have not only been directed towards migrants and refugees. Over 2020, a series of attacks against staff and assets of NGOs working with these communities, as well as journalists reporting on these issues, took place in Greece after inflammatory comments were made by government officials in March. As a result, some NGOs suspended operations and even evacuated volunteers to Athens. According to Human Rights Watch, threats from right-wing sources and intimidation of aid workers, as well as vandalism and arson directed against NGO property, has continued into 2021.

CASES:

- Three Afghan families, including pregnant women and children, were reportedly abducted from a refugee camp on the Greek island of Lesbos. In addition to being held against their will, the refugees were reportedly robbed, beaten, and then illegally sent to Turkey. The victims said they had been approached at night by an alleged camp guard who told them they needed to go with him to take a COVID-19 test. The man however locked them in a container for several hours. Subsequently, four other men assaulted and robbed them before taking them to the port, where they were forced to board a raft and finally left adrift on the open sea.

- An Indian medical student was abducted from Ukraine on 16 January and later found in Kyrgyzstan. The incident came to light when the abductors called the victim's family in India to demand INR 10 million (approximately USD 137,000) as ransom. The family reported the incident to the Indian authorities, who in turn liaised with the Ukrainian Embassy in the country. Ukrainian diplomatic officers later informed all concerned that the student had been found in Kyrgyzstan. No more details were provided.

Refugees and migrants escaping a fire at Moira camp on Lesbos, Greece, in September 2020. (Photo: Human Rights Watch)

 Commercial in Confidence & Subject to Contract. © Copyright Constellis 2021. All rights reserved.

In Malta, general threat levels are low, and although violent crime can take place, kidnapping remains an extremely rare occurrence. That being said, over the past five months at least three kidnap cases have taken place in the archipelago-state. The three incidents had seemingly different motivations, ranging from traditional kidnap for ransom, to incidents linked to the victim's underworld activities. Bearing in mind that the last previous such incident was recorded in 2012, there is speculation on whether this may be a new criminal trend in Malta. Abductions linked to the victims' involvement in criminal activities is a predominant trend in Western Europe, in which individuals are kidnapped due to debts or in the context of turf wars between competing groups. These kinds of incidents have been increasingly reported over the past year, in many instances linked to drug-trafficking activities.

CASES:

- Three Slovakian men were charged with kidnap and extortion, illegal arrest and injury of a compatriot. According to Maltese police, the victim was approached and bundled into a car by the three accused in the town of Mellieha, on 27 January. He was then driven to the area of Ahrax tat Tunnara and tied to a tree. The men reportedly punched him and threatened him with a knife. After some time, the victim was taken to a Sliema hotel, where he was held against his will through the night. The next morning, he was about to be transported somewhere else when he managed to briefly escape and call for help. Passers-by called the police, who soon deployed to the scene, apprehended the three suspects and rescued the victim. It is reported that the man had been abducted and threatened in an attempt to extort money from him, as compensation for a debt that the victim owed one of the suspects. The nature of the debt was not ascertained. However, the fact that the victim failed to appear in court, having fled the country after providing fake contact details to the authorities, indicates that he was highly likely involved in illegal activities.

- Four Moroccan citizens were arrested for the kidnapping of a man in Brussels, Belgium, on 9 January. The four men reportedly held the victim in an empty house on Chaussée d'Edingen in Halle, near the A8 Brussels-Tournai motorway. The hostage managed to escape and get help from a neighbour. As soon as the incident was reported, special units of the police arrived at the scene, and arrested the four suspects. During the kidnapping, the suspects reportedly stole EUR 3,000 in cash from the victim. The authorities believe the incident to be linked to the drugs trade, as the suspects and the victim all have criminal records for drug-related crimes.

- On 26 January, agents of the Spanish National Police arrested five gang members in the province of Malaga for their alleged involvement in the illegal detention and injury of a Portuguese citizen. The incident occurred in October 2020, when the victim was deceived into travelling from Bilbao to Malaga. There, he was supposed to meet the accused at an industrial warehouse in the neighbourhood of San Julian. As he arrived to the meeting, the man was tied to a chair and hit with an iron bar many times, which caused a fracture in his skull. The man was also given electric shocks while in captivity. He was eventually abandoned in the back of his car, several kilometres from the place where the events took place, and eventually managed to seek assistance. It is reported that the attack was linked to previous business dealings between the foreigner and the criminal gang.

Maltese police conducting a counter-narcotics raid in south-eastern Malta. (Photo: Times of Malta)

Commercial in Confidence & Subject to Contract. © Copyright Constellis 2020. All rights reserved.

MIDDLE EAST

Though the Middle East also experienced an increase in the number of kidnapped foreign nationals, the region accounted for only 11% of the total number of victims recorded by Constellis worldwide, consistent with previous reporting periods. The large majority of victims in the region were taken in Iran, where the regime continues to employ hostage diplomacy as one of its main sources of leverage in its disputes with other countries. Victims are often subjected to unfair judicial processes and at times even to torture, often leaving them in prison or legal limbo for years if their countries do not yield to the regime's demands. Despite its alleged interest in normalising relations with the rest of the world, Iran has continued to detain foreigners and dual-nationals as opportunities arise. Indeed, Iran's seemingly conciliatory position in late December 2020 has changed over the past two months, in a bid to pressure the US and its allies to lift all sanctions, which the country now sees as a prerequisite to a return to any dialogue. For instance, an increasing number of breaches of the 2015 international nuclear deal have been recorded since the start of 2021. On 4 January, Iran resumed uranium enrichment at one of its facilities; while on 19 March Iranian authorities announced it will cold test its redesigned Arak nuclear reactor as a prelude to fully commissioning it later this year. The Iranian regime has also recently boasted an increase in its military capabilities, at a time when a series of attacks on foreign interests continue to be attributed to Iran, either directly or indirectly via a myriad of proxy actors deployed throughout the Middle East. While much of this is certainly to gain leverage in the international sphere, this stance can also be linked to domestic developments, specifically, the upcoming June presidential elections in Iran. In this context, though there is still willingness in the West to achieve a negotiated solution, the number of detractors is increasing.

CASES:

- On 2 February, the Iranian government said it had agreed to release 19 crew members of a South Korean chemical tanker, allegedly on humanitarian grounds. However, the tanker and its captain would continue to be held as investigations were ongoing. The HANKUK CHEMI was seized and its crew arrested on 4 January, accused of 'environmental pollution'. However, it was claimed that the arrest was used by Iran to pressure Seoul into releasing over USD 7 billion in Iranian funds frozen in South Korean banks due to US sanctions. These claims seemed to have gained weight following an inquest initiated in March by a US senator into the alleged facilitation of a USD 1 billion 'ransom payment' to Iran for the release of the HANKUK CHEMI's crew. It is alleged that a waiver of terrorism sanctions on Iran had been granted so that South Korea could complete the payment. In response, Secretary of State Antony Blinken said on 10 March that the US will oppose the release of Iranian funds from South Korea until Tehran has fully complied with the 2015 nuclear deal.

- In mid-February, French newspaper Le Figaro reported on the arrest of a French and a German national in Iran. The newspaper said that the two individuals had been arrested as leverage in anticipation of the 4 February sentencing of Iranian diplomat Assadolah Assadi in Belgium. The French government confirmed the arrest of its national on 24 February. The Frenchman, later identified as Benjamin Briere, was reportedly arrested in May 2020 after flying a helicam in the desert near the Turkmenistan-Iran border and taking pictures in forbidden areas. According to his lawyer, he was charged on 14 March with spying and "spreading propaganda against the system." The reasons for the arrest of the German citizen remain unknown, with the German government not having commented on the incident.

Commercial in Confidence & Subject to Contract. © Copyright Constellis 2021. All rights reserved.

Kidnap for ransom continues to be a common feature in many countries in the Middle East. This is particularly the case in Lebanon, with the Beqaa Valley as the preferred operational hub for kidnap gangs. Though the incidence of this crime had experienced a relative lull in recent years, the current socio-political and economic instability has reverted this trend. Security has notably worsened over the past year in the country, on a par with the rapid deterioration of its economy. With the currency having lost over 90% of its value since October 2019 and average salaries plummeting over 84% in the last 12 months, half of the population has been pushed into poverty. Under such conditions, it is unsurprising that crime has also spiralled. According to a recent local study, over January and February 2021, a 144% increase in crime was registered in the country compared with the same period in 2020. Researchers have noted that it is of particular concern that organised crime has also seen a similar exponential growth. While no specific figures were provided for kidnap for ransom, the recent rise of cases reported in the media, including those targeting foreign nationals, is a good indicator of the increasing trend.

CASES:

- An Egyptian priest, identified as M. Saq, was released on the Dahour al-Ayoun road in Sarein, on 25 February. The man had been kidnapped the previous night while driving in the city of Zahle, in the Beqaa Valley. The victim was dispossessed of his vehicle, and approximately SYP 4.7 million (nearly USD 10,000).

- On 8 January, three men were kidnapped by a group of armed men who had lured them to Zahle with the excuse of wanting to buy US dollars from them. After subduing them and stealing their money, the gang took the victims towards an unknown destination, probably to later demand a ransom for their release. However, as they were passing an army checkpoint, one of the hostages managed to take control of the steering wheel, colliding with two other vehicles. As the officials manning the checkpoint approached, the criminals opened fire. One of the victims and another person died in the exchange of fire. The kidnappers were wounded and arrested.

- A Qatari businessman was kidnapped in a locality of Turkey's Hatay province on 1 February, soon after arriving. The kidnappers demanded a ransom of USD 400,000 from the family of the victim. According to Turkish media, the family of the businessman had already paid half of the demanded amount. However, the criminals insisted on being paid the remaining half, and threatened to take the businessman to Syria if the money was not received by the end of February. The local authorities were then alerted, initiating investigations that later located the victim in Adana. The Qatari man was rescued and five suspects arrested in a large-scale raid in the city. Four other individuals are being sought for their suspected involvement in the abduction. The reason behind the Qatari's visit to Hatay remains unclear. Upon his release, the victim reported that he had been subjected to extortion for a while by the gang members, who threatened to kill him if he did not pay. His refusal to comply was what led to his kidnapping. He explained that the blackmail involved a video where he appeared with a woman as the result of a honey trap. According to the Qatari businessman, he is not the first Gulf citizen victimised in such a scheme in Turkey.

Man shouts anti-government slogans during a demonstration in Beirut, Lebanon, on 21 March 2021. (Photo: Al Jazeera)

Commercial in Confidence & Subject to Contract. © Copyright Constellis 2021. All rights reserved.

AFRICA

Africa remained the region with the highest number of kidnapped foreigners, accounting for 44% of victims recorded by Constellis worldwide. Over the first two months of 2021, Africa saw an increase of 26% in the number of foreign victims, compared to November-December 2021. In this reporting period, Libya was positioned as the regional hotspot, surpassing Nigeria. This jump was attributed to a number of mass abductions, all of them of Egyptian migrant workers. While this would seem to be an indication of the targeting of this community, there is no real evidence to support this. It is rather a reflection of the predominance of Egyptians in the Libyan work force, both legal and illegal. Though Egypt has completely banned travel to Libya since February 2015 as a result of the poor security situation, irregular migration continues to be reported due to the lack of opportunities at home. Recognising the need for jobs, including for the over 2 million legal workers who returned to Egypt after the ban, as well as the risks incurred by Egyptian illegal migrants, the Egyptian government has sought since 2019 to reopen travel with its neighbour. However, for multiple reasons, including the lack of diplomatic representation in Libya, this has not been possible. In February, Egyptian government representatives announced the forthcoming reopening of the Egyptian embassy in Tripoli, a first step towards the resumption of legal travel between the two countries. The announcement comes in the context of the two warring parties in Libya forming a transitional government on 5 February, and agreeing to hold elections on 24 December 2021. While this is certainly a milestone that could pave the way towards the resolution of the 10-year conflict, stability may be harder to obtain. One of the main issues to resolve would be that of the myriad of militias present in the country, many of which have been constantly linked to criminal activities in their areas of operation, including kidnapping for ransom.

CASES:

- According to reports on 28 February, armed men in western Libya kidnapped 38 Egyptian nationals and held them at a farm near the capital, Tripoli, while demanding a ransom from their relatives. The gang allegedly demanded LYD 15,000 (over USD 3,000) for each of the Egyptians, who had entered the country illegally. Local sources claimed that elements linked to the Libyan Government of National Accord (GNA)'s Interior Ministry were involved in the crime. This was the second such incident in a week after ten Egyptians were kidnapped for ransom in the eastern city of Tobruk. In that case, a ransom of LYD 30,000 (nearly USD 7,000) had been demanded per hostage. The ten men were reportedly rescued by local security forces along with another three kidnapped compatriots. The Tobruk Security Directorate said that several suspects were arrested in the operation, all of whom were suspected of involvement in previous kidnaps of foreign nationals.

- The kidnapping threat in Morocco has historically been low, with the majority of incidents reported typically relating to personal disputes or drug-trafficking operations. For example, on 11 January, Police in Rabat rescued a Palestinian national who had been abducted the same day. Three suspects, including a former member of the judicial police, were arrested during the rescue operation. According to the victim, he was kidnapped in the vicinity of the Mohammed V mausoleum. His abductors forced him to accompany them to Salé, aiming to recover a large sum of money from him. Claiming he was calling his family to get the money, he instead called the police. Following his rescue, the Palestinian was taken into custody by the police, as it transpired that there was a warrant for his arrest for fraud. Initial investigations determined that the man had been abducted because he had defrauded his captors. He had reportedly rented an apartment from them in the city of Témara, which he had paid for with cheques without funds, and subsequently sublet the property to other tenants.

Interim Prime Minister Abdul Hamid Dbeibah, head of Libya's Unity Government. (Photo: NBC News)

Commercial in Confidence & Subject to Contract. © Copyright Constellis 2021. All rights reserved.

Meanwhile, Jihadist groups continue to make inroads in sub-Saharan Africa, which is believed to be slowly becoming the new forefront for terrorism. Following successful anti-terrorism campaigns in the Middle East, the Islamic State (IS) and al-Qaeda shifted their attention in recent years to Africa, particularly the Sahel and Nigeria, and to some extent the Horn of Africa. However, an expansion towards central and southeast Africa has been evident in recent months, facilitated by the extremist groups' other well-established hubs on the continent. The most conspicuous example of this expansion has been in Mozambique by IS. The Islamic State Central Africa Province (ISCAP) is now one of the most prolific IS affiliates, not only due to their success in Mozambique, where it has managed to retained control of the port of Moçimboa de Praia since August 2020, but also by its launching successful attacks in neighbouring countries such as the Democratic Republic of Congo and Tanzania. Indeed, through what is believed to be direct support from IS proper, the group has achieved a significant level of military sophistication, which not only directly threatens the multi-billion dollar energy projects in Mozambique's Afungi region, but also regional security and stability. Recognising this growing threat, the US has joined efforts to fight extremism in the country, sending a small contingent to train Mozambicans troops in March. Though the programme is modest in size and scope, it could signal future international counterinsurgency operations, as the Mozambican government has shown its inability to contain and ultimately eradicate the problem and been condemned for employing mercenaries, who are currently facing accusations of human rights abuses. Though ISCAP has not yet claimed any high-profile abductions, this cannot be ruled out in the future, they being an IS trademark activity.

CASES:

- Italy's ambassador to the Democratic Republic of Congo, Luca Attanasio, was killed during what was believed to be an attempted kidnap. An Italian police officer, who was providing security for the ambassador, and their local driver were also killed in the attack. The men were travelling in a UN World Food Programme (WFP) convoy when they were attacked near the town of Kanyamahoro in North Kivu. The armed men reportedly stopped the cars and killed the driver, subsequently taking the rest of the convoy's occupants towards the forest with the intention of holding them for ransom. Soon afterwards, park rangers and members of the Congolese army responded to the incident, leading to an armed exchange with the assailants. The Italians were shot by the kidnappers during the gunfight. The attackers have not been identified publicly. The Congolese government said in a statement that the security services and authorities had not been informed of the presence of the diplomat in the region. Meanwhile, the ambassador's widow claimed the incident was the result of foul play, involving among other things the dissemination of information on the convoy's schedule and its inadequate security.

- In Nigeria, the kidnapping epidemic endures unabated, often also affecting foreign nationals. On 3 February, three Chinese nationals were kidnapped from a gold mining site in the locality of Akere, in Osun State. A police escort attached to the expatriates was killed in the attack. The kidnappers reportedly demanded NGN 500 million (USD 1.3 million) in ransom from the victims' employer, Aare Gold. The three Chinese victims were released on 8 February in an alleged rescue operation by local security forces. It is unknown if any ransom was paid. The abduction followed a dispute between some local labourers and the Chinese nationals over the payment of arrears, on 1 February. The authorities have not confirmed if the two events are connected in any way.

Image of ISCAP militants in DRC, published in issue 179 of IS' weekly newsletter Al-Naba. (Photo: The Defense Post)

Commercial in Confidence & Subject to Contract. © Copyright Constellis 2021. All rights reserved.

ASIA

Over January and February 2021, Asia observed similar levels of kidnapping of foreign nationals as the previous reporting period. In line with previously-established trends, the Philippines recorded the highest number of these victims. Once again, the vast majority of victims were Chinese nationals who were abducted by compatriots in situations linked to the activities of Philippine Offshore Gaming Operators (POGOs). In a new trend observed over the past three months, victims of these groups who are unable to meet their captors' demands are subjected to forced labour and subsequently sold on to other groups for more work, and probably also to avoid detection by the authorities. China has continued to clamp down on online gambling, not only domestically, but also forcing countries known to attract Chinese gamblers to act against these activities. However, despite the threat of Chinese sanctions, the Philippine government has not expelled these businesses, unlike neighbouring Cambodia. Citing the potential devastating impact on the economy, the Philippine authorities have only limited their action to a register system with the nation's Anti-Money Laundering Council, and reactive security operations once a crime has been reported. Unlike Cambodia, where no kidnappings linked to this type of activity have been registered in recent months, in the Philippines they continue to increase.

CASES:

- Members of the anti-kidnapping unit of the Philippine National Police (PNP) rescued a kidnapped Taiwanese national from a residential building in Parañaque City, on 2 March. No arrests were made as the victim was reportedly found alone inside the property. According to police reports, the victim, identified as Wu Keng Hao, had secured a job with POGO company 'Telegram Apps' on 26 February, after applying through a social media platform operated by a Chinese recruitment company. On the same day, Wu was fetched by a Filipino driver and an alleged Chinese employee of the recruitment agency, who took him to a hotel in Pasay City for 'quarantine purposes'. Subsequently, he was met by another Chinese national, who was allegedly going to take him for a COVID-19 test. However, the Taiwanese national refused to go with him after sensing something was not right. On 28 February, the man was forcefully taken to Las Piñas City by another group of Chinese nationals, who told him that he had been sold for CYN 30,000 (nearly USD 5,000) to another unidentified POGO. On 1 March, the said POGO sold the victim on for another CNY 30,000 to a third POGO based in Parañaque City. The police investigation determined that the place from where the victim was rescued was a facility owned by the third company.

- Two Chinese nationals were rescued by Nepalese police on 7 January, five days after they were abducted from a hotel in Kathmandu. The victims reportedly presented injuries as they had been assaulted and tortured while in captivity. During the rescue operation, two Chinese and two local nationals were arrested for their suspected involvement in the abduction. The foreign nationals were reportedly kidnapped on 3 January, when they were lured out of their hotel by the two Chinese suspects, who sent a taxi to pick them up. Inside the taxi were the two Nepalese, who took them to a property in the Sindhupalchowk district, where they were held until their rescue. The reason behind the abduction was not ascertained.

Image of Chinese-run online gambling site (POGO). (Photo: Reuters)

Commercial in Confidence & Subject to Contract. © Copyright Constellis 2021. All rights reserved.

The influence of China over Hong Kong is growing by leaps and bounds, in what many assess to be a process of assimilation. In one of the latest moves by the Asian giant, the National People's Congress (NPC) approved a motion to 'improve' the electoral system of Hong Kong. This decision effectively overhauls Hong Kong's electoral system, placing further restrictions on its already limited democracy and remodelling its institutions after their Chinese counterparts. Among the changes, it is stated that politicians have to pledge allegiance to Hong Kong's de facto constitution, with those deemed to be disloyal being banned from running in future elections and potentially prosecuted in court if found to have violated their allegiance. Violations include advocating for Hong Kong's independence and lobbying for foreign interests. In another concerning change in legislation, Hong Kong officials announced in early February that the Special Administrative Region would no longer recognise dual nationality, in accordance with China's nationality law. In practical terms, this means that while Hong Kong citizens could still have multiple passports, in case of arrest they will be denied consular assistance as they are considered to be exclusively Chinese nationals. The only exception to this would be for individuals who have obtained permission from the government to renounce their Chinese nationality. The new policy may also provide a new avenue for China's 'hostage diplomacy'.

CASES:

- Canada's foreign affairs department announced on 3 February that a Canadian dual national in a Hong Kong prison had been required to make a declaration choosing a single nationality on 18 January. The statement did not identify the prisoner and did not provide the reason why he or she was in jail. The Canadian authorities additionally said they are aware of a number of other similar cases involving dual nationals of other countries.

- Australia's foreign minister said on 8 February that a Chinese-born Australian journalist had been formally arrested in China on suspicion of illegally supplying state secrets overseas. The charging of Cheng Lei on 5 February, which initiated an official criminal investigation, comes six months after she was originally detained. If found guilty, Cheng could be sentenced to life in prison or even death. Cheng was detained on 13 August 2020, just days after Australia warned its citizens of the risk of arbitrary detention in China and following a significant deterioration in relations between the two countries.

- On 26 February, Myanmar police released a Japanese freelance journalist after briefly detaining him during a protest in Yangon. Yuki Kitazumi, who runs a media production company in the city and is a former journalist for the Nikkei Business Daily, was the first foreign journalist to be detained since the 1 February military coup. Kitazumi was also the second foreign national known to have been detained since the coup, after Australian Sean Turnell, a former economic adviser to Aung San Suu Kyi, who was arrested on 6 February. To date, Myanmar's army has not announced any charges against Professor Turnell. On the same day of his arrest, Australia's foreign ministry said it was deeply concerned about reports of arbitrary arrests of foreign nationals in Myanmar. The ministry did not provide further details on who the other foreign nationals might be.

Rally in support of Hong Kong protesters held in Vancouver, Canada, in 2019. (Photo: VOA News)

Commercial in Confidence & Subject to Contract. © Copyright Constellis 2021. All rights reserved.

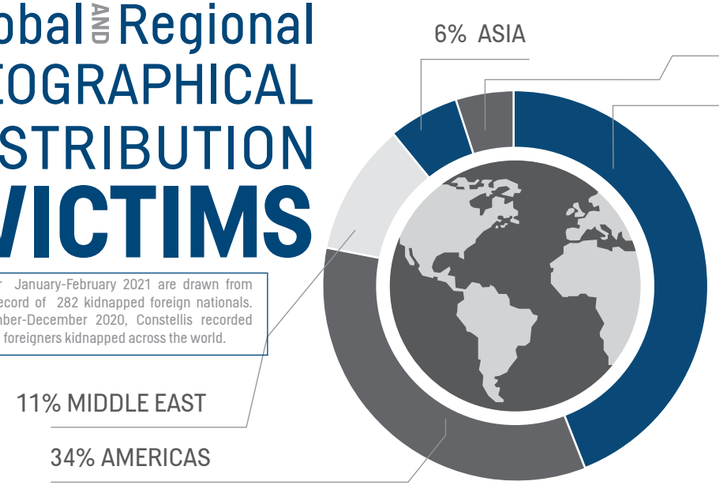
STATISTICS

JAN-FEB 2021

KIDNAPPED FOREIGN CITIZENS

Global AND Regional GEOGRAPHICAL DISTRIBUTION OF VICTIMS

Statistics for January-February 2021 are drawn from Constellis' record of 282 kidnapped foreign nationals. Over November-December 2020, Constellis recorded a total of 197 foreigners kidnapped across the world.



REGION	NUMBER OF VICTIMS
AFRICA	124
AMERICAS	96
MIDDLE EAST	32
ASIA	16
EUROPE	14

AFRICA 44%

Libya* (80) 64.5%
Sao Tome (26) 21%
Nigeria (12) 9.7%
DRC (2) 1.6%
Morocco (2) 1.6%
Angola (1) 0.8%
Egypt (1) 0.8%

AMERICAS 34%

Mexico* (53) 55.2%
Venezuela (12) 12.5%
Haiti (10) 10.4%
US* (10) 10.4%
Colombia (4) 4.2%
Paraguay (3) 3.1%
Argentina (2) 2.1%
Brazil (2) 2.1%

MIDDLE EAST 11%

Iran (22) 68.5%
Lebanon (2) 6.3%
Qatar (2) 6.3%
Syria* (2) 6.3%
Turkey (2) 6.3%
UAE (2) 6.3%

ASIA 6%

Philippines (7) 43.7%
China (2) 12.5%
Myanmar (2) 12.5%
Nepal (2) 12.5%
Pakistan (2) 12.5%
India* (1) 6.3%

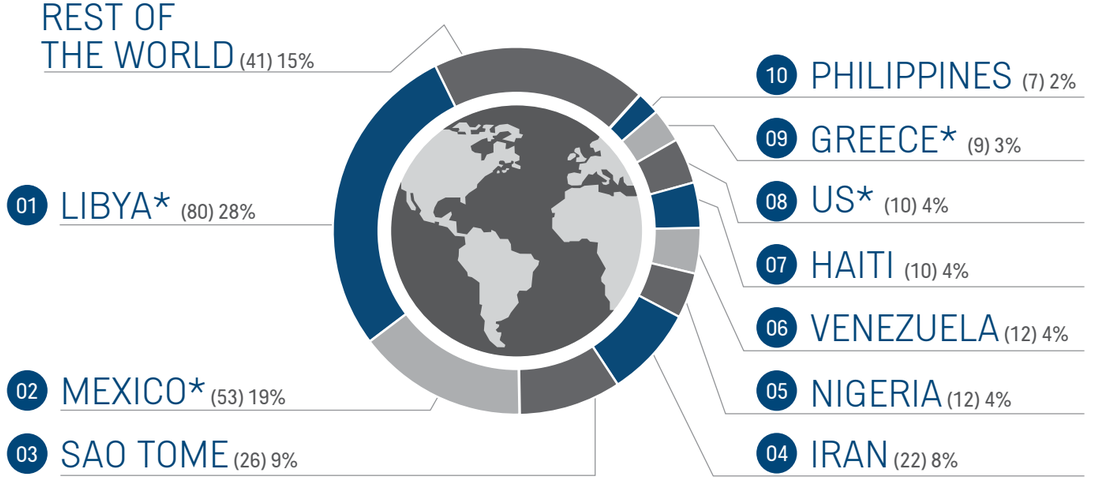
EUROPE 5%

Greece* (7) 64.4%
Malta (2) 14.4%
Belarus (1) 7.1%
Belgium (1) 7.1%
Ukraine (1) 7.1%

(Number of Victims)
* Including Migrants

Commercial in Confidence & Subject to Contract. © Copyright Constellis 2021. All rights reserved.

TOP 10 COUNTRIES FOR THE KIDNAPPING OF FOREIGN CITIZENS IN JAN-FEB 2021



Commercial in Confidence & Subject to Contract. © Copyright Constellis 2021. All rights reserved.

ORIGINS OF VICTIMS

01 NORTH AFRICAN (84) 29.8%
02 LATIN AMERICAN (80) 28.4%
03 SOUTHEAST ASIAN (44) 15.6%
04 MIDDLE EASTERN (25) 8.9%
05 NORTH AMERICAN (14) 4.9%
06 CENTRAL ASIAN (11) 3.9%
07 EUROPEAN (10) 3.5%
08 SUBSHARAN AFRICAN (9) 3.2%
09 SOUTH ASIAN (4) 1.4%
10 UNKNOWN (1) 0.4%

MOST VICTIMIZED SINGLE NATIONALITY

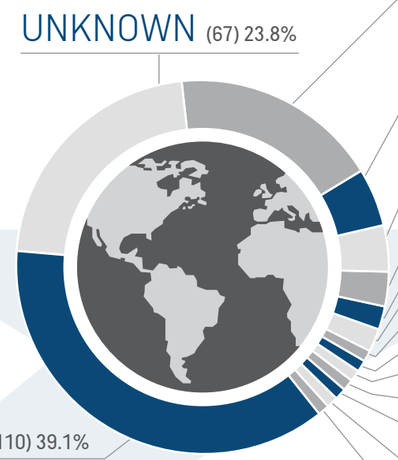
01 Egyptian
02 Honduran
03 Chinese
04 Salvadorean
05 Turkish
06 Guyanese
07 Myanmarese
08 Afghan
09 Nigerien
10 US

MOST VICTIMIZED ORIGIN BY REGION

REGION	ORIGIN
Africa	North African
Americas	Latin American
Asia	Southeast Asian
Europe	Central Asian
Middle East	Middle Eastern

 Commercial in Confidence & Subject to Contract. © Copyright Constellis 2021. All rights reserved.

VICTIMS BY SECTOR



MIGRANTS (110) 39.1%
UNKNOWN (67) 23.8%
MARITIME (58) 20.6%
BUSINESS (16) 5.7%
TOURISM (11) 3.9%
PROFESSIONALS (5) 1.8%
MINING (3) 1.1%
CRIMINAL (2) 0.7%
DIPLOMATIC (2) 0.7%
JOURNALISM (2) 0.7%
OTHER (2) 0.7%
DEPENDENTS (1) 0.4%
EDUCATION (1) 0.4%
NGO (1) 0.4%
RELIGIOUS (1) 0.4%

MOST VICTIMIZED SECTOR BY REGION

REGION	OCCUPATIONAL SECTOR
Africa	Maritime
Americas	Migrants
Asia	Unknown
Europe	Criminal
Middle East	Maritime

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.

Commercial in Confidence & Subject to Contract. © Copyright Constellis 2021. All rights reserved.

STATISTICS

MAR 20 - FEB 21

KIDNAPPED FOREIGN CITIZENS

Global AND Regional GEOGRAPHICAL DISTRIBUTION OF VICTIMS

"Statistics for March 2020 - Feb 2021 are drawn from Constellis' record of 1,248 foreign nationals kidnapped worldwide."

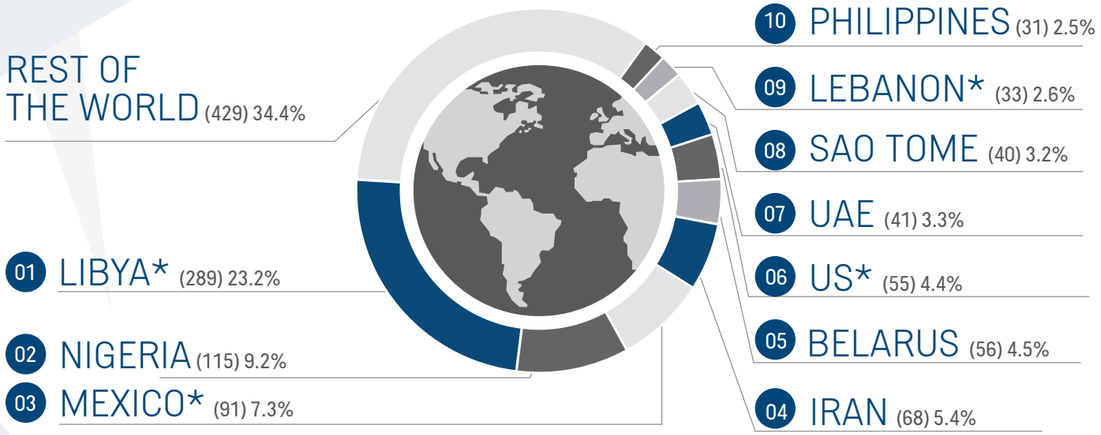
REGION	NUMBER OF VICTIMS
AFRICA	603
AMERICAS	242
MIDDLE EAST	191
ASIA	115
EUROPE	97

AFRICA	AMERICAS	MIDDLE EAST	ASIA	EUROPE
48.3%	19.4%	15.3%	9.2%	7.8%
Libya* (289) 47.9%	Mexico* (91)..... 38%	Iran (68)..... 36%	Philippines (31)..... 27%	Belarus (56)..... 57.7%
Nigeria (115) 19.1%	US* (55) 23%	UAE (41) 21%	Cambodia* (25) ... 21.7%	Spain (12)..... 12.4%
Sao Tome (40) 6.6%	Colombia (20) 8%	Lebanon* (33)..... 17%	Pakistan (11)..... 9.6%	Greece* (10) 10.3%
Benin (38) 6.3%	Haiti (18) 7%	Syria* (25)..... 13%	India* (10)..... 8.7%	Cyprus* (4)..... 4.1%
Guinea (20) 3.3%	Venezuela (17)..... 7%	Iraq (6)..... 3%	Azerbaijan (7)..... 6.1%	Ukraine* (4) 4.1%
Tanzania* (19) 3.2%	Trinidad & Tobago* (12) 5%	Turkey (5) 3%	China (6)..... 5.2%	Malta (3)..... 3.1%
Gabon (16) 2.7%	Paraguay (6)..... 2%	Qatar (4) 2%	Papua New Guinea (6)... 5.2%	Belgium (2) 2.1%
Mozambique (10)... 1.7%	Brazil* (4)..... 2%	Saudi Arabia (3) 2%	Myanmar (4)..... 3.5%	Russia (2) 2.1%
South Africa (10).... 1.7%	Uruguay* (4) 2%	Bahrain (2) 1%	Afghanistan (2) 1.7%	France (1)..... 1%
DRC* (7)..... 1.2%	Argentina (3)..... 1%	Kuwait (2)..... 1%	Malaysia (2)..... 1.7%	Italy (1) 1%
Others* (39) 6.5%	Others (12) 5%	Others (2) 1%	Others (11) 9.6%	Others (2) 2.1%

(Number of Victims) * Including Migrants

Commercial in Confidence & Subject to Contract. © Copyright Constellis 2021. All rights reserved.

TOP 10 COUNTRIES FOR THE KIDNAPPING OF FOREIGN CITIZENS MAR 20 - FEB 21



Commercial in Confidence & Subject to Contract. © Copyright Constellis 2021. All rights reserved.

GLOBAL PIRACY UPDATE

The first two months of 2021 showed a 32% decrease in maritime security incidents, with 67 events recorded, compared to the 99 over the last reporting period (November-December). The majority of the incidents consisted of criminal boardings (61%), which mostly resulted in low-profile robberies, while attempted boardings were the second most reported type of incident (24%). As per established trends, 57% of all recorded incidents took place in the Gulf of Guinea (GoG), while multiple thefts were also reported in Asia. Though the number of attacks declined from the last reporting period, the decrease appears to be cyclical as they are consistent with levels recorded over January-February 2020.

Tensions between Turkey and Greece escalated after Ankara again sent a scientific research vessel into the Aegean Sea at the end of February. Despite earlier hopes of reconciliation, hostilities between the two countries will likely persist over the coming months. Escalations were also recorded in the Persian Gulf and Gulf of Oman. In mid-January, at least two Iranian ballistic missiles struck approximately 100 miles from the US Nimitz aircraft carrier, while on 28 February, the Israeli vehicle carrier MV Helios Ray suffered damage after being hit by limpet mines attached by Iranian forces off the coast of Oman. Additionally, Iranian forces seized a South Korean tanker on 4 January in the Strait of Hormuz, arresting its 20-man crew. Similar Iranian attacks aimed at US interests or those of its allies are expected to continue, especially if the Iranian Nuclear Deal remains at an impasse and the US government does not lift the economic sanctions imposed on Iran. In a possible sign of further escalation, outside the reporting period, on 12 March, an Iranian container ship was targeted with explosives in the Mediterranean Sea, resulting in a fire and some damage to the vessel. In other developments, a Japanese bulk carrier was hijacked by seven stowaways off the Isle of Portland, in the English Channel, on 8 February. The incident took place after the crew decided to turn back and sail to Le Havre, France, after discovering the illegal passengers. The change in course angered the migrants, who broke into the bridge and injured one crew member. The crew managed to contact the UK's Border Force, who instructed them to dock in Portland, where the Dorset police arrested the assailants, believed to be Albanian nationals. A similar case was previously reported in October 2020, when migrants seized control of the MT Nave Andromeda.

The GoA recorded only 5% of all maritime security events registered during this reporting period, all of which consisted of unsuccessful robberies and suspicious approaches. Though a number of these incidents appear to be opportunistic in nature, they serve to highlight the underlying piracy threat in the region. Moreover, the area continues to face instability as a result of the conflict in Yemen and other regional tensions. Attacks by the Houthis will likely persist in the coming months, especially as the group has shown an emboldened posture after the Biden administration removed them from the US terrorist list in February. In this context, there is an indirect risk to commercial vessels, particularly from water-borne improvised explosive devices (WBIEDs). Indicative of the potential threat to commercial activities, on 8 March, a bulk carrier was approached around 105 nm SE of the Yemeni Port of Nishtun by four small boats with two crew each. Given the location of the incident, it is believed the approaches may have been conducted by Houthis intending to target Coalition vessels. The Saudi-led Arab Coalition is known to operate from Nishtun, which is also an end-point for oil pipelines running from Saudi Arabia. As such, the port will continue to be a target for the Houthis and commercial vessels transiting the area risk collateral damage. Additionally, the Yemeni conflict will continue to feed maritime crime, as Iran and the Houthis exploit the poverty in the area to their favour, recruiting local fishermen for smuggling operations, commonly using the port of Berbera as a hub. It is reported that, for instance, on 16 February, the US Navy seized a large cache of Iranian weapons, believed to be intended for the Houthis, as it was being smuggled by two small ships off the coast of Somalia.

While criminal incidents in the GoG recorded a decrease on the previous two months, the piracy threat in the region remains very high. As per established trends, most of the incidents consisted of criminal boardings (53%), in addition to attempted boardings (39%) and suspicious approaches (8%). Only one confirmed kidnapping incident was recorded over the reporting period, in addition to two hijackings near the coast of Gabon and São Tomé and Príncipe, which did not result in the abduction of crew. Despite the decline in successful kidnappings, most of the attempted boardings are believed to have been attempted kidnappings, rather than attempted thefts. Thus, as a result of the increased threat to shipping, the Maritime Domain Awareness for Trade for the GoG (MDAT-GoG) issued another alert on 22 January, cautioning vessels to remain extremely vigilant in GoG waters due to an imminent kidnap threat. While Nigeria's Exclusive Economic Zone (EEZ) remains the region's piracy hotspot, 30% of all attempted and criminal boardings in the area took place in the vicinity of São Tomé and Príncipe, a 200% increase on November and December 2020 figures. As a result of the mounting pressure on Nigeria to find a solution to piracy in the region, the Nigerian authorities have announced multi-million dollar commissions of high-tech equipment to strengthen anti-piracy operations. Additionally, at the beginning of March, the Nigerian Navy announced the launch of naval operation 'Cold Waters', which will cover a larger area than hitherto, as pirates have been attacking vessels as far as 200nm from the shore. Additionally, on 25 January, the European Union (EU) launched the Coordinated Maritime Presences (CMP) programme to support GoG states. Yet, despite the increase in cooperation and funds made available by Nigeria, this will likely remain insufficient in lessening the problem in such a vast area.

The number of maritime incidents in Asia remained consistent with the last reporting period. As per established trends, most of the recorded events consisted of low-profile thefts (60%), in addition to attempted robberies (27%), most of which took place in the eastbound lane of the Traffic Separation Scheme (TSS) in the Singapore Strait. Indeed, robberies in Southeast Asia, including the Philippines, Vietnam, and the Singapore Strait continue to record a steady increase, as a result of the poor economic situation in coastal localities, which has worsened with the coronavirus pandemic. Meanwhile, although there were no kidnapping incidents recorded in Asia for a consecutive period, Malaysia extended the curfew in the Eastern Sabah Security Zone (ESSZONE) until 1 March, due to the ongoing abduction threat by elements linked to the Abu Sayyaf Group (ASG). Evidencing this threat, on 3 March, a Bangladeshi bulk carrier managed to evade suspected ASG pirates who tried to board it while it was sailing off Malaysia's Sibutu Island, near the border with the Philippines. Following this incident, the Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia (ReCAAP) issued a warning to all vessels operating in the region, particularly, in waters off Sibutu Island, due to the kidnapping risk. Meanwhile, the South China Sea is a cause of growing concern, especially following China's recent enactment of the Coast Guard Law. This new law allows the Chinese coast guard to fire at foreign vessels deemed to be trespassing in their territorial waters. Given the number of ongoing maritime sovereignty disputes involving China, the implementation of this law could certainly escalate and destabilise the region's security. The international community has already voiced its concern in this regard, in particular relating to the situation in Taiwan. In a show of support to the island-state, the Australian military said in January that it will continue to patrol the South China Sea amid increasing threats from China. While the possibility of war in the region still remains far-fetched, possible military escalations, including exchanges of fire, remain possible, particularly following the implementation of the Coast Guard Law.

Commercial in Confidence & Subject to Contract. © Copyright Constellis 2021. All rights reserved.
Commercial in Confidence & Subject to Contract. © Copyright Constellis 2021. All rights reserved.

China's Harbin guided-missile destroyer during a China-Russia navy exercise. (Photo: Business Insider)

Hole in Israeli vessel Helios Ray caused by an Iranian limpet mine. (Ynetnews)

CASES:

- On 23 January, 15 Turkish crew members of the Liberian-flagged container ship MV MOZART were taken hostage by pirates who boarded the vessel 98 nm northwest of São Tomé and Príncipe while transiting from Lagos to Cape Town. An Azeri crew member was killed by the pirates, while three men were left on board. It was reported that the crew had initially locked themselves in the citadel but the pirates forced an entry after six hours, allegedly using explosives. The 15 hostages were released on 12 February in undisclosed circumstances. This is the furthest offshore an incident has been recorded off West Africa.
- Two suspicious approaches were reported within a 24-hour period (13-14 January) approximately 34 nm northwest of Pointe A in the Internationally Recommended Transit Corridor (IRTC) of the GoA, off Hanish Islands, Yemen. The first incident reportedly involved a Liberian bulk carrier, which was approached by two skiffs that later changed direction after seeing the ship's armed security team on board. The second ship which was approached also reported seeing a skiff with four people onboard, and it too changed course when the occupants saw the vessel's armed guards.
- On 21 February, tug TB DANUM 50 was boarded by unknown men while underway in the eastbound lane of the Traffic Separation Scheme (TSS) in the Singapore Strait. The perpetrators were spotted by an Indonesian Navy unit conducting a routine patrol in the area. Five individuals were arrested, while two small boats and 150 kg of stolen steel wire were seized.

Commercial in Confidence & Subject to Contract. © Copyright Constellis 2021. All rights reserved.
Commercial in Confidence & Subject to Contract. © Copyright Constellis 2021. All rights reserved.

CYBER SECURITY

THE MICROSOFT EXCHANGE HACK AND STATE-SPONSORED CYBERCRIME

On 2 March 2021, Microsoft announced that its Microsoft Exchange System – the backend software to integrated email and calendar applications such as Outlook – had been subject to a major breach due to previously unknown vulnerabilities. Through these flaws, hackers believed to be operating out of China have reportedly been able to hack emails and steal information from a variety of targets. While the initial scale of the breach was reported by Microsoft to be 'limited', the true magnitude has since become clearer, with potentially hundreds of thousands of organisations impacted globally. Coming soon after the suspected Russian-backed SolarWinds cyber-campaign, during which dozens of US government agencies suffered major data breaches, the Microsoft Exchange attack further serves to shine a spotlight on state-sponsored hacking and its growing threat to enterprises across the world.

According to Microsoft, the systems of victim organisations were breached from early January onwards via four 'zero-day'[1] vulnerabilities on Microsoft Exchange email servers. They attributed the attack to Hafnium, a highly proficient Chinese hacking group known for data extraction activities, targeting entities across various sectors primarily in the US. In the Microsoft Exchange hack, at least 30,000 private and public organisations are believed to have been impacted in the US alone, ranging from small businesses to local governments and financial institutions. No major data breaches of government agencies or corporations have yet emerged, with such organisations having typically migrated their servers to Microsoft's cloud-based email services and thus sidestepping the Exchange vulnerabilities. However, the full extent of the attack and scale of the data compromised are still being assessed.

While Microsoft has now released software updates and is urging companies to install them, attacks remain ongoing. Small and medium-sized businesses are most at risk, who are possibly less aware of the latest cyber security trends and may not yet have installed the patches. Furthermore, in addition to Hafnium, multiple other hacking groups have been identified taking advantage of the Microsoft Exchange vulnerabilities, with attacks spreading to companies in 115 countries so far.
The Microsoft Exchange hack and other recent high-profile state-sponsored cyberattacks, highlight the critical need for government and commercial entities alike to pay closer attention to this phenomenon to better protect their confidential information and intellectual property. Over the past two years, Microsoft has tracked over 13,000 incidents they have confidently linked to nation states (while the actual number of suspected attacks may be in the millions). 52% of these emanated from Russia, followed by Iran (25%), China (12%), North Korea and other countries (11%). The top five targeted countries over this period were the US, UK, Canada, South Korea and Saudi Arabia. The industry sectors most impacted were NGOs, professional services, government agencies, IT firms, higher education and global health institutions.

The year 2020 was particularly notable with regards to state-sponsored cyber activity due to the onset of the COVID-19 pandemic. What initially began as a spike in associated cybercrime by criminal elements, subsequently became the domain of nation states. By July, Russian hackers were found breaking into coronavirus vaccine research facilities in the UK, US and Canada. Over the same period, Chinese hackers attempted to breach institutions conducting COVID-19-related research across the globe, while Iranian hackers were caught trying to access the accounts of WHO employees. Additionally, North Korea used the pandemic to target cryptocurrency exchanges in a bid to generate funds. Meanwhile, Pakistan breached India's defence agencies and and embassies, and India attempted to target Chinese organisations in Wuhan. The latter provoked a monumental response from China, which reportedly mounted over 40,000 cyberattacks against Indian institutions in the space of five days. With attention diverted by the pandemic, some of the most devastating cyberattacks were uncovered later in the year and early 2021, with the extensive SolarWinds and Microsoft Exchange espionage campaigns causing incalculable damage to Western institutions.

These attacks have generated debate in the West on how state-sponsored cyber activity should be responded to. While some have deemed the SolarWinds and Microsoft Exchange attacks to be acts of war, demanding significant retaliation, others have called for a more tempered response, arguing that both campaigns were merely espionage operations as opposed to attacks on critical infrastructure. As an example of the potential physical consequences caused by cyberwarfare, suspected Israeli and American hackers attacked an Iranian uranium enrichment facility in 2010, causing several of its centrifuges to burn out. Iranian hackers responded by breaching the controls of a dam in New York.

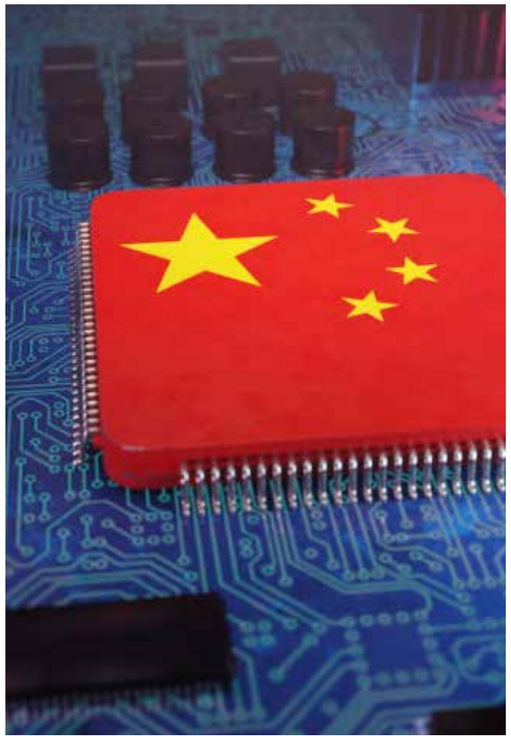
The Biden administration appears to be taking a middling line. Though Russia and China both continually deny any involvement, the White House has announced plans to strike back at Russia through clandestine, undisclosed means, in addition to sanctions. Following investigations into the Microsoft breach, similar actions will likely be taken against China. While a measured response is highly unlikely to deter further state-backed cyber-attacks, it will counter any major escalations for the time being. As such, espionage and subversion will remain the main goals of state cyber-activity, though political disruption and attacks on critical infrastructure might increase in line with international developments.

CASES:

- On 7 March 2021, the European Banking Authority (EBA) announced that it had been subject to a cyberattack against its Microsoft Exchange servers. However, no data was believed to have been stolen. Nevertheless, as a precautionary measure, the EBA temporarily took its email system offline. While no major breaches resulting from the Microsoft Exchange hack have yet been reported, the extent of the damage is still being ascertained.

- In April 2020, Israel announced that Iranian hackers had infiltrated water treatment facilities via cyberattacks, with the intention of cutting off or contaminating drinking water for thousands of people quarantined at home during lockdown. Similarly, in February 2021, unknown hackers breached a water treatment facility in Florida and attempted to contaminate the drinking water. While the attacks were likely unrelated, and have no verified links to nation states, they represent a potentially deadly threat from cyberattacks on critical infrastructure.

- North Korean hackers of the Lazarus Group have targeted defence sector companies in 12 different countries via COVID-19-themed spear-phishing emails, containing malicious links or attachments. The cyber campaign, which began in early 2020, is aimed at collecting sensitive data from targeted organisations.



(Photo: arstechnica.com)

[1] A 'zero-day' exploit is a cyber-attack that takes advantage of a software vulnerability on the same day it is discovered. This weakness can then be taken advantage of until a fix becomes available.

Commercial in Confidence & Subject to Contract. © Copyright Constellis 2021. All rights reserved.
Commercial in Confidence & Subject to Contract. © Copyright Constellis 2021. All rights reserved.

FOCUS ARTICLE

THE BIDEN ADMINISTRATION'S FOREIGN POLICY

On 20 January 2021, the United States of America ushered in its 46th President, Joe Biden. After a 2020 filled with coronavirus deaths, lockdowns, social upheaval, and an eventful election cycle, Americans were looking expectantly to the new administration for change in 2021, a sentiment that was felt worldwide. The Biden administration, described by some hopefuls as a third Obama administration due to its steady recruitment of former Obama cabinet members and advisors, is already showing a different dynamic. President Biden, emboldened by a solidified and vociferous progressive block in his party, is advancing policy further and faster than the Obama-Biden team of 2008-2016 could have ever imagined. However, with only a slim majority in the House and an even tie in the Senate, President Biden has had to resort to a series of executive orders to achieve his policy goals, signing over 60 of them within his first month in office. With a large swathe of those initial executive orders directed at US foreign policy, the world is paying attention.

As a candidate, Joe Biden promised to "lead the democratic world to meet the challenges of the 21st century." He vowed to renew alliances, raise refugee admissions, and advance human rights and democracy around the world. He promised to hold technology corporations and social media accountable, while preserving democratic societies and protecting free speech. He promised the American people a foreign policy for the middle class, with strong global trade negotiations. He also promised to end 'forever wars' and committed to increase investment in Central America to resolve its migration crisis. Candidates offer the world, but deliver only what is possible when elected.

After four years of US foreign policy that was unconventional and often left world leaders frustrated, what could the world expect from President Biden?

DIPLOMACY IS BACK

On 4 February 2021, in a speech to US diplomats, President Biden declared that "Diplomacy is back at the center of our foreign policy." With a strong belief in multilateralism, President Biden immediately rejoined the World Health Organization (WHO) and committed $4 billion to the WHO COVAX program to aid in global COVID-19 vaccination efforts. He also voiced a commitment to rejoin the UN Human Rights Council, from which the US withdrew in 2018. Moreover, President Biden renewed US commitment to the NATO alliance and put a freeze on plans to withdraw US troops from Germany. The most notable of multilateral deals that President Biden rejoined is the Paris Climate Accord. Demonstrating an intense focus on climate change early in his administration, Biden appointed a 'climate czar', and pledged that climate change will be at the center of all administration policies and departments, to include his intelligence apparatus and the Department of Defense (DoD). How this unfolds remains to be seen. With a recent court decision in Paris to convict the French government[1] for not upholding its own commitment to the Paris Climate Accord, the question is how will countries hold each other accountable for climate change in the future?

MIGRANT CRISIS

Keeping to campaign promises, in his first day in office, President Biden terminated funding for the completion of the US southern border wall. He pledged an increase in refugee admissions from 15,000 per year to 125,000 per year, removed requirements for additional vetting, and cancelled the 'Remain in Mexico' policy that required asylum seekers to wait in Mexico while their cases were heard. In addition, President Biden promised $4 billion in aid to the Northern Triangle countries of El Salvador, Guatemala and Honduras, in an effort to resolve the corruption, violence, and poverty that drive migration to the US. The ultimate policy goal of the Biden administration in this regard is an entire overhaul of the immigration system, a feat that cannot be achieved solely through executive orders. Time and a thin majority in the legislature will be left to decide this enormous enterprise.

ENDING 'FOREVER WARS'

President Biden has something in common with the previous administration - his commitment to end 'forever wars'. However, though the conflicts in Afghanistan, Iraq, Syria, Libya, and Yemen have proven difficult to unravel, President Biden has some insight, as these were ongoing conflicts throughout the Obama-Biden years. Pledging to end support for the war in Yemen, the Biden administration placed a temporary freeze and review on US arms sales to the UAE and Saudi Arabia and ended support for Saudi offensive operations. President Biden also removed the terrorist group designation from Ansar Allah (the Houthi rebels), in an effort to prevent a worsening humanitarian crisis in Yemen. In January, President Biden extended the emergency declaration for action in Libya, committing the US to at least one more year of support for the internationally-recognised government. In Afghanistan, more than a year has passed since the last US casualty, but the Biden administration is pledging to review a looming 1 May 2021 exit deadline, insisting that they will "withdraw according to conditions on the ground, not a date in the calendar." Biden officials claim that the Taliban has not met their commitment to the February 2020 US-Taliban Agreement. Beyond not targeting US troops, the Taliban had also agreed to disavow Al-Qaeda and to end attacks against both Afghan forces and civilians. With the deadline merely weeks away, the Taliban have warned of renewed attacks if the troop withdrawal is not honoured. Although the administration has not yet addressed the wars in Iraq or Syria, President Biden can be expected to take the same cautious approach in not wanting to create a regional power vacuum upon withdrawal from either conflict.

REJOINING THE JCPOA

The Biden Administration has formally announced an effort to rejoin the Joint Comprehensive Plan of Action (JCPOA), commonly known as the 'Iranian Nuclear Deal'. Iranian officials have warned that the US does not have an unlimited timeline to rejoin the JCPOA and have demanded that all sanctions be lifted before they are willing to return to the negotiating table. Though President Biden lacks bipartisan support at home to end the sanctions put in place by his predecessor, the administration plans to nonetheless consult with allies, as well as Russia and China, in order to reach a solution. Meanwhile, it is reported that the State Department is already working to release $1 billion in frozen Iranian assets. However, President Biden and his Secretary of State, Anthony Blinken, have openly stated that they will not pursue rejoining the JCPOA until Iran returns to full compliance. Complicating efforts, after a relative lull in aggression between the two countries since January 2020, Iranian proxies have recently launched a series of attacks against US interests in the Middle East, resulting in a number of US casualties. The US responded to the attacks with an airstrike on Iranian-backed militia positions in eastern Syria. With the nuclear deal arguably limited in time and scope, a lack of Iranian full compliance, and with the Abraham Accords[2] changing Middle East alliances, rejoining the JCPOA in its current form will pose some interesting challenges.

1 Four international environmental NGOs, backed by over 2.3 million citizens, filed a lawsuit in 2019 against the government of France for failing to do enough to halt climate change, specifically for exceeding its 2015-18 carbon emissions budget.

2 The Abraham Accords are a series of agreements to normalise relations between Israel and a number of Muslim countries, backed by the U.S. The first country to sign was the United Arab Emirates in September 2020, followed by Bahrain, Sudan and Morocco.

Commercial in Confidence & Subject to Contract. © Copyright Constellis 2021. All rights reserved.
Commercial in Confidence & Subject to Contract. © Copyright Constellis 2021. All rights reserved.

(Photo: Arab Center Washington DC)

CHINA

President Biden in his first days of office has already addressed many of the foreign policy priorities laid out during his 2020 campaign. His communication on these issues has been clear. What has not been clear, and curiously absent, is his administration's stance and policy goals concerning China. Currently assessed the most complex problem facing democracies, now and well into the future, the Biden administration will be watched by the rest of the world as it sets an example in its relationship with China. Democracies around the world are looking to President Biden for leadership and guidance in dealing with China's expansive and aggressive global influence campaign. If this is not countered by powerful nations with global influence, China could create an imbalance of world power and resources that could prove irreversible in the near future.

OUTLOOK

With many pieces moving on the foreign policy front, President Biden's administration has taken a running start at its first few months in office. World leaders have praised President Biden for his immediate priority to extend once again the hand of US diplomacy. He has also garnered praise for quickly and deliberately addressing campaign promises. However, given the tumultuous nature of 2020, there is currently as much, if not more, domestic policy to address as foreign policy. Now, having set a course for his foreign policy priorities, and though a number of issues remained to be addressed, it is expected that President Biden will turn his attention towards the domestic front because, as has been said, *diplomacy begins at home.*

Commercial in Confidence & Subject to Contract. © Copyright Constellis 2021. All rights reserved.
Commercial in Confidence & Subject to Contract. © Copyright Constellis 2021. All rights reserved.

ABOUT CONSTELLIS

Constellis is a leading provider of risk management, humanitarian, social intelligence, training and operational support services to government and commercial clients throughout the world. Operating in over 45 countries, Constellis' 20,000 employees bring unparalleled dedication and passion for creating a safer world by upholding the highest standards of compliance, quality, and integrity.

Constellis' forward thinking services span a broad range of synergistic solutions, from the boardroom to the project site, encompassing risk governance, organisational resilience, business continuity management, crisis management, travel security, global tracking, training, protective security, life support, logistics and specialist support such as K9 services and UAV systems.

At Constellis, our number one mission is to secure success for our customers. Constellis combines the legacy capabilities and experience of ACADEMI, Triple Canopy, Centerra, Olive Group, OmniPlex, AMK9, Edinburgh International, Strategic Social and all of their affiliates. The consolidation of companies under the Constellis name allows our clients to rely on one single partner and project experience that spans the globe.

For more information about Constellis, please visit our website at: www.constellis.com

Commercial in Confidence & Subject to Contract. © Copyright Constellis 2021. All rights reserved.

CONTACT

For more information on this report please contact:

BEATRIZ SANCHEZ-GARRIDO
Information Analysis Manager
beatriz.sanchez-garrido@constellis.com

For all inquiries on Constellis' advisory & consulting services please contact:

MARK ALLISON
Vice President, Crisis & Risk Services
Mobile: +44 7791 495 057
mark.allison@constellis.com

Crisis Response Emergency Numbers:

NORTH/SOUTH AMERICA
+1 713 918 6401

EUROPE, AFRICA, ASIA, AUSTRALIA
+44 (0) 20 7 240 3237

GENERAL INQUIRIES
+971 800 100 100

THE INFORMATION IN THIS REPORT IS PROVIDED "AS IS" WITHOUT ANY WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR NON-INFRINGEMENT. CONSTELLIS, MAKES NO REPRESENTATION OR WARRANTY THAT THE INFORMATION CONTAINED IN THIS REPORT WILL BE TIMELY OR ERROR-FREE. IN NO EVENT SHALL CONSTELLIS BE LIABLE FOR ANY DAMAGES WHATSOEVER, INCLUDING ANY DIRECT, INDIRECT, SPECIAL, CONSEQUENTIAL OR ANY OTHER DAMAGES, ARISING OUT OF OR IN CONNECTION WITH THE USE OF OR RELIANCE ON INFORMATION AVAILABLE WITHIN THIS REPORT. IN USING THIS INFORMATION, YOU ARE USING IT AT YOUR OWN RISK AND AGREE TO THE LIMITATIONS AND DISCLAIMERS PROVIDED HERE.

www.constellis.com

DISCLAIMER: IN NO EVENT SHALL OLIVE GROUP BE LIABLE FOR ANY DAMAGES WHATSOEVER, INCLUDING ANY DIRECT, INDIRECT, SPECIAL, CONSEQUENTIAL OR ANY OTHER DAMAGES, ARISING OUT OF OR IN CONNECTION WITH THE USE OF OR RELIANCE ON INFORMATION AVAILABLE WITHIN THIS REPORT. IN USING THIS INFORMATION, YOU AGREE TO THE LIMITATIONS AND DISCLAIMERS PROVIDED HERE.

Commercial in Confidence & Subject to Contract. © Copyright Constellis 2021. All rights reserved.