

# RISK FOCUS

FINE ART, JEWELLERY AND SPECIE BULLETIN AUGUST 2016

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## Tiger kidnapping risks

The security risk environment is evolving rapidly and criminals are employing more sophisticated tactics to seek financial reward. For those operating in the fine art, jewellery and specie sector, one of the most prevalent threats to your employees is tiger kidnapping.



The fine art, jewellery and specie sector is an appetising industry for tiger kidnapers, as employees have day-to-day access to extremely valuable assets. Perpetrators will view this as an opportunity to exploit your company and in the process will endanger your employees and their families.

A company's most valuable assets are undoubtedly its people. Whilst companies operating in this sector

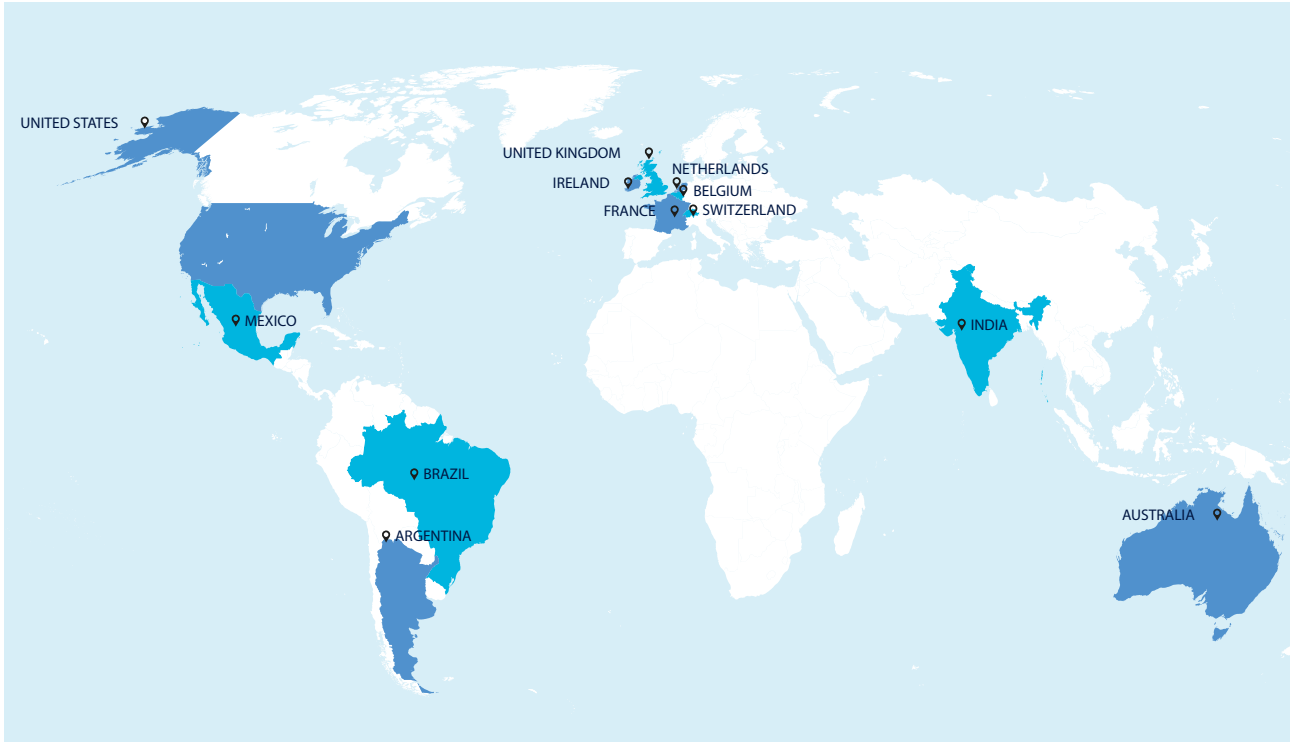
handle and trade high-value physical assets which need to be protected, arguably the security of your employees should be the key priority.

Whether employees are living at home or travelling abroad, crisis incidents can happen anywhere and at any time. Ensuring that you have effective and immediate crisis response procedures in place is paramount.

### WHAT IS A TIGER KIDNAP?

Tiger kidnapping is a phenomenon that has become more widespread in the last 10 years with incidents taking place all over the world. It differs from the more traditional kidnap for ransom incidents, as the aim is not to extort them directly but to coerce the victim through the threat or use of violence into committing a crime. This type of kidnapping is referred to as tiger kidnapping as offenders usually follow and monitor their

## HOTSPOTS FOR TIGER KIDNAPS



victims' daily routine for at least a couple of weeks before abducting the victim.

Owing to the link with drug trafficking organisations, tiger kidnapers have been known to maintain a presence in port cities such as Antwerp (Belgium), Amsterdam and Rotterdam (Netherlands) and Dublin (Ireland). However, since 2010 Control Risks have also reported cases in Argentina, India, Australia, Mexico and United Kingdom.

### WHO ARE THE VICTIMS OF THIS TYPE OF CRIME?

According to NYA International, a typical case usually involves the kidnapping of a family member or close friend as a means of coercing the victim to grant access to personal funds or valuables. In the past, the victim profile for a tiger

kidnap has been employees of a bank or financial institution with frequent, unrestricted access to valuables within the premises. The profile of victims has evolved over the years and now any employee working for a company with a significant profile and perceived wealth may be a target.

### WHO ARE THE PERPETRATORS?

Reports show that historically this form of extortion has been carried out by sophisticated criminal groups; however evidence suggests that these incidents are now being carried out by more opportunistic criminals. In order for a tiger kidnapping to be successful, the offenders may need to undertake heavy surveillance of their potential victims for a number of weeks which requires organisation and financial support.

Perpetrators tend to be domestic nationals with intimate knowledge of the local area

While tiger kidnapping is a key risk facing this sector, there are a variety of other people security risks facing companies' workforces at home and abroad, such as:

- Hostage barricade
- Active shooter
- Medical/ Political evacuation
- Extortion (including cyber extortion)
- Express kidnap
- Malicious threat
- Wrongful detention
- Hijack
- Business interruption (non-damage) loss of earnings

Typically incidents last

up to **72** hours

### OTHER POSSIBLE RISKS:



## SOLUTION:

It is important to note that cover for a tiger kidnap is available on both a kidnap & ransom policy as well as a specie/ all risks policy and/or jewellers block. However each policy provides a different scope of cover and this is where a specialty broker can assist in identifying the client's requirements and tailoring both policies to ensure holistic coverage is achieved.

Specific to a kidnap & ransom policy, this will provide clients with:

- Ransom reimbursement
- Cover for relevant additional

expenses (including medical and psychological care, temporary security and PR consultancy and legal advice)

- Immediate access to expert response consultants who will assist the client in the negotiation and management of the crisis
- Financial pastoral support for the victim and their family during and post-event
- Personal accident costs

In respect of the specie/all risks policy and or jewellers block programmes these insure the loss of the goods following a tiger kidnap.



Retail sector, business personnel, financial services staff targeted

## CASE STUDIES

1. A group of armed men in the early hours of 6 June stormed the home of a bank employee in Parambu (Ceará state), Brazil taking three adults and two children hostage, and abducting the bank employee at gunpoint. Some of the kidnappers then drove him to the branch where he worked and forced him to withdraw money from the safe. The victims, who remained captive throughout the ordeal, were freed once the money was handed over. *Data obtained by Control Risk*
2. Armed criminals kidnapped the vice president of SmartBank along with his family in Knoxville, Tennessee USA. He was forced to rob the bank branch he works in

to secure the release of his wife and five-month-old son, whom were being held at gunpoint. Undisclosed amount of money was handed over to the offenders.

*Data obtained by NYA International*

3. Three perpetrators broke into the home of a Bureau de Change employee in the Ville-en-Sallaz, France. His wife, son and step-mother were held hostage. The husband was forced to drive to his work location in Geneva and steal money from a vault. A fellow employee alerted the police who found the family had been released unharmed and the kidnappers did not receive any ransom.

*Data obtained by NYA International*

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Our dedicated Specie, Fine Art and Jewellery team believe in doing things differently. The only way we can develop solutions which really deliver, is to fully understand all the different challenges our clients face. No matter how difficult the question by using our collective experience we will provide the answer.

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