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RISK MANAGERS

Historically, opportunistic express kidnapping has been the principal kidnap risk facing foreign nationals in South Africa. Typically carried out during car-jackings and robberies, such incidents are a symptom of elevated violent crime rates in the country.

However, in recent years there has also been evidence of a rising number of organised kidnap-for-ransom incidents. **High net worth individuals, primarily of non-South African origin or descent,** have been the main targets in this recent trend.

Community activists in South Africa suggest that incidents are being carried out by organised crime syndicates. In December 2016 a spokesperson for the Community Policing Forum stated that he believed syndicates had **lists of potential targets**, principally wealthy foreigners or South Africans of foreign descent, who would be willing and able to pay ransoms. It has been suggested that the syndicate originates within the **Pakistani, Chinese, Indian and Bangladeshi** communities, although this has not been proven.

We've summarised a few of these kidnappings below:

Timeline of recent Kidnap-for-Ransom incidents in South Africa targeting high net worth individuals					
Date	Description of Incident	Location	Ransom Demanded	Ransom Paid	Victim Released?
31 Oct 2016	A businessman was kidnapped by 6 armed men whilst closing his clothing shop with a female colleague. His colleague was unhurt, whilst he was pushed in to a van.	Athlone, Cape Town	Reports suggest that a USD 24 million ransom demand was made.	It is not clear whether a ransom payment was made, although reports suggest a USD 750,000 may have been paid.	Yes, he was released on 28 December 2016. He was reportedly released in Thornton, Cape Town.

Foreign business people have also been targeted upon arrival in South Africa, whilst in transit from the airport. In May 2017, an Ethiopian businessman was kidnapped and robbed after he arrived at the OR Tambo International Airport. The victim believed that he was travelling to a private residence to conclude a business deal, but was instead kidnapped. The perpetrators fraudulently spent ZAR 25,000 of the victim's money and reportedly demanded an undisclosed ransom amount from his family. The businessman was released within hours by the police and the kidnappers arrested.

The police have been slow to respond to the apparent rise in kidnap-for-ransom incidents targeting high net worth individuals, having previously denied that such activity is on the rise. In December 2016 it was reported that a specialist police unit of five detectives had been formed to investigate the incidents, although the unit does not appear to have slowed the rate of incidents. As a result, high net worth individuals in South Africa will be exposed to elevated kidnap-for-ransom risks in the 12 month outlook. Prior incidents would suggest that individuals from South Africa's Indian, Bangladeshi and Pakistani communities will face a higher risk, although the threat will extend to individuals of Chinese, Mozambican, and Zimbabwean origin. Ransom demands are likely to be large, and may reach millions of US dollars. During the third quarter of 2017, two of the five highest ransom demands recorded globally by Unity Resources Group were made in South Africa.

Victims may be held for extended periods over multiple months, if ransom demands are not met.

Given the kidnap risks facing high net worth persons in South Africa, both private individuals and companies should ensure that an effective crisis management strategy is implemented. For companies, this will allow them to meet duty of care obligations for staff and reduce exposure to the potential reputational damage, litigation and financial repercussions that may arise from a kidnap-for-ransom incident involving employees. For families and private individuals, this will allow peace of mind that they and their loved ones are protected at all times whether on holiday, at home, on business travel or seconded abroad.