

“Security Trends Regarding Development in Nigeria, Myanmar and Egypt”

The Global Congress on Travel Risk Management, October 1-2, 2012

Current Global Travel Risk Spots and Where They Will Be in the Near Future

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Nigeria

In terms of resource development, Nigeria is currently in the midst of an economic boom. With the tenth-largest amount of proven oil reserves, the country is currently the world's eighth-largest hydrocarbon exporter. In addition, the development of its technological infrastructure has attracted several of the world's fastest-growing telecommunications companies. Emerging as a regional financial center and with a pool of significant untapped resource wealth, Nigeria is likely to continue growing economically for the foreseeable future.

Security Concerns

The most visible security threat in Nigeria is posed by Boko Haram. Although the group operates in the rural portions of the north and northeast, Boko Haram's violent and large-scale attacks pose a serious security threat to the Nigerian government. Their attacks threaten to ignite sectarian tensions between the mainly Muslim north and the Christian-majority south. With the exception of several attacks in Abuja, Boko Haram hasn't significantly disrupted foreign travel or business operations in Nigeria.

In addition to Boko Haram, the threat of piracy is growing in all of Western Africa. Most active off the coasts of Nigeria and Guinea, pirates are attacking valuable international cargo with increasing frequency and violence. In this regard, pirates appear to be targeting vessels based on

the perceived value of their cargo, making oil tankers particularly vulnerable. Unlike pirates operating off of the East African coast, West African pirates show little concern for the safety of the crew members. The overall threat of piracy is exacerbated by the minimal naval capabilities of most West African countries. As land-based petroleum and natural gas extraction continues and offshore hydrocarbon exploration grows, Nigeria is likely to remain an attractive target for regional pirates.

Kidnappings are relatively common in Nigeria, as in most of West Africa. Although this trend is less prevalent than other regions of Sub-Saharan Africa, the threat of abduction disproportionately affects foreign travelers. As foreign business continues to develop, this threat could grow in the future, depending on the development of Nigerian terrorist groups and criminal organizations and the government's response to any escalating threats.

Myanmar

Since free elections were held in March, and the majority of economic sanctions were lifted thereafter, Myanmar has experienced an incredible surge in interest from businesses looking to invest in the country and tourists who would like to visit. Many believe that Burma's large amount of oil and gas reserves, relatively high literacy rate, and other advantages make it poised for an economic boom now that it is implementing reforms. Myanmar's financial and physical infrastructure is not fully prepared to meet these potential demands. As such, construction on new hotels and the restructuring of the financial system are underway.

Security Concerns

With increased political freedoms comes the increased likelihood of political unrest. Authorized and unauthorized protest activity is likely to increase in Myanmar as a whole in the coming years. This threat is escalated during elections or times of significant political instability. NC4 always advises its customers to avoid protest activity in foreign countries, due to the increased likelihood of violence and unrest. Additional protests are possible in response to the increased construction of infrastructure facilities nationwide. These protests may be in response to land disputes, environmental issues, or a range of other potential grievances.

Another security concern in Myanmar is the production and transport of narcotics. Myanmar is one of the largest producers of illicit substances in the world, and is a notable part of the "Golden Triangle." Heroin and methamphetamine production is common in rural areas of the country, especially those populated by minority groups. Criminal organizations, militant and insurgent

groups, and military units are known to profit from the Burmese drug trade. Travelers are advised to avoid areas where narcotics production is known to take place.

Although not prevalent in Yangon, Mandalay, and other major cities in the central portion of the country, ethnic insurgent groups are present in Myanmar. Most of the notable insurgent groups, including the Kachin Independence Army (KIA), the Shan State Army-South, and the Karen National Union/Karen National Liberation Army, are located in border areas that are not easily accessible or particularly desirable for travelers. Easing ethnic tensions and bringing about an end to insurgent conflicts is one of the greatest challenges facing the Burmese government, and the inability to do so could eventually threaten development and the fledgling tourism industry.

Egypt

The Lotus Revolution that was inspired by the Arab Spring uprisings throughout the region led to profound changes in Egypt. The most obvious was the unseating of long-time president Hosni Mubarak. During and immediately following the revolution, Egypt suffered a dramatic economic downturn: foreign direct investment (FDI) nearly dried up and Egypt's foreign reserves dropped by over 50 percent. Since that time, the tumultuous Egyptian political transition has done little to attract confidence, slowing the economic recovery.

However, since the election of Freedom and Justice Party (FJP) candidate Mohamed Morsi, significant decrees have been issued that have returned a degree of confidence in Egyptian political stability. This has laid the groundwork for the promise of international loans and financial aid packages that may be used to temporarily balance the Egyptian budget and create much-needed development projects. In the coming months and years, the Egyptian public will continue to press Cairo for development projects and job creation.

Security Concerns

Protest action continues to occur in Cairo, Alexandria and other major cities in Egypt. Although not as large or disruptive as those in early 2011, protest crowds in excess of 10,000 have been reported multiple times in recent months. Generally, these events follow significant domestic political developments; however, smaller, more isolated protests frequently occur in response to various domestic and regional diplomatic, security and legal news.

Frequent protest action has also occurred recently in response to utility shortages. Rolling blackouts due to overburdened electrical grids (loadshedding), poor water quality, speculative gas shortages, etc. have all prompted localized protests in smaller Egyptian cities and towns.

These incidents are especially prevalent in Middle and Upper Egypt, where press coverage can be minimal. Demonstrations of this kind are highly disruptive to local economies, as they frequently involve blockages of transportation routes. These actions also tend to be more violent than more urbanized protests, often leading to harsh crackdowns from security forces.

Militancy in the Sinai Peninsula has developed into a significant problem since the ouster of Hosni Mubarak. Spurred by the release of thousands of imprisoned tribesmen and emboldened by the removal of their long-time nemesis in Cairo, Bedouin tribesmen in the region began to increase disruptive actions aimed at government projects in the region. Initially, this involved frequent bombing attacks on natural gas pipelines to Israel and Jordan, significantly disrupting these countries' electrical generation capabilities. More recently, however, the rise of militant groups in the Sinai has become a direct threat to Egyptian and Israeli security.

Looking forward, the evolution of these groups in the Sinai could develop into a significant threat to foreign travelers. Although mostly confined to the northern and eastern portions of the Sinai, tribal groups have targeted the lucrative tourism industry along the southern coast. This has involved the kidnapping of tourists traveling between southern resort towns and inland attractions, such as St. Catherine's Monastery. Although abductees are generally treated well and released unharmed, this could change based on the evolution of groups and tactics in the area.

In this regard, the development of small jihadist groups in the northeastern Sinai is also particularly concerning. These groups have publically acknowledged their intention to strike Israeli cities and civilians, and have been successful in launching deadly attacks along and across the border. The threat of these groups has prompted several warnings from counterterrorism authorities in Tel Aviv, advising Israeli citizens to evacuate southern Sinai resort towns. Although no significant attacks have been launched on these locations by jihadist or militant groups, they are vulnerable should such groups choose to target them.