

## **PROJECT FUNDING - FINAL REPORT**

- **PROJECT NAME:**  
DISRUPTING CORRUPTION FOR MAXIMUM POLICY IMPACT // A FRESH AGENDA FOR COMBATING CORRUPTION IN CONGO'S NATURAL RESOURCE AND BANKING SECTORS.
  
- **IMPLEMENTED BY:**  
THE SENTRY
  
- **TOTAL GRANT AWARDED:** (in euros)  
€ 1,250,000
  
- **INSTALLMENT CONCERNED:** (in euros)  
INSTALLMENT #3: € 225,000 (pending approval final report)
  
- **ACCOUNTING PERIOD:** (start date and end date)  
JUNE 1, 2020 – SEPTEMBER 30, 2021
  
- **SUBMISSION DATE:** (latest version submitted)  
MARCH 1, 2022

### **1. Changes to the original project proposal (if applicable)**

#### **Changes in implementation:**

Like all organizations, The Sentry has continued to adjust to working during the COVID-19 pandemic. While we are used to dealing with security and logistical challenges in our operations, restrictions on travel and meetings as a result of the pandemic mean that travel has been limited, and we have had to devise new approaches to achieve our objectives. Our teams have advanced investigations through new consultants and whistleblowers in the Democratic Republic of Congo (DRC), shifted to analyzing documents and datasets, and engaging potential sources of information remotely using secure communication methods, while also continuing to engage—in accordance with social distancing guidelines—relevant policy makers in the United States (US), Europe, the DRC, and elsewhere. We did not make any major changes to our overall program design and objectives, but we did make some necessary adjustments within the project budget reflecting the reduction in travel and other changes to our modus operandi during this period.

**No further changes to report in organization, bank details, or project design.**

### **2. Execution of the project**

Thanks to the generous support of the Kingdom of Belgium, The Sentry's coordinated campaign of financial and political pressure has begun to disrupt a system of violent kleptocracy in the Democratic Republic of Congo (DRC). Our program has focused on advancing Congolese policy on transparency & anti-corruption, while at the same time also strengthening global stakeholder (US, IMF, global banks) focus on addressing corruption in the DRC. This work is based on a three-part strategy: 1) exposing corruption through targeted investigations; 2) collaborating with

Congolese civil society, including the Congo is Not for Sale coalition, to lead public advocacy campaigns; and 3) influencing DRC policy on transparency and anti-corruption through strategic engagement with key stakeholders. Importantly, this grant has helped us significantly deepen our engagement with Congolese civil society and the DRC political class, and our program has had a concrete impact on countering peace spoilers, holding banks accountable, curbing natural resource corruption, and advancing broader anti-corruption reforms.

The current project and grant are based on two separate but complementary proposals. The first of these was submitted June 1, 2018, under the heading “Disrupting Corruption for Maximum Policy Impact,” and approved on September 6, 2018. The second, supplementary proposal was submitted January 1, 2019, under the heading “A Fresh Agenda for Combating Corruption in Congo’s Natural Resource and Banking Sectors.” The activities outlined in each proposal were the following:

**Disrupting Corruption:**

*Activity A – Investigations*

*Activity B – Safe Reporting Platforms*

*Activity C – Local-language shareable social media and communications*

**A Fresh Agenda:**

*Activity A – Increasing the awareness and action by the DRC’s political class, the media, and the population regarding corruption in the natural resource and banking sectors*

*Activity B – Investigations*

For purposes of this report, we will discuss progress on the two investigation-focused activities under one combined header, and we will distinguish the latter “Activity A” as “Supplementary Activity A.”

**Context**

Since the start of our project in October 2018, the DRC has undergone a political transformation, embarking on a tentative trajectory that could lead to meaningful reforms on corruption, governance, and human rights. However, the road ahead for the DRC under President Félix Tshisekedi remains fraught with major obstacles. Overall, the system of violent kleptocracy is still in place, though Tshisekedi has made some incremental steps to combat it, and it continues to be at the heart of development and security challenges in the DRC. There was a major political shift at the end of 2020 and beginning of 2021 with a new governing coalition and government, which decreases Kabila’s influence. However, Kabila retains significant influence in the security services, and the system of violent kleptocracy overall remains in place.

The decision in early 2021 by the United States to rescind the license given to Dan Gertler at the of the Trump administration was an important win in the battle against corruption. The Sentry has worked for years to create serious consequences for Gertler and his network. He is responsible for looting significant amounts of the DRC’s natural wealth, and combined efforts of The Sentry and other organizations resulted in sanctions imposed in 2017 under the US Global Magnitsky program. When the outgoing Trump administration decided to issue a license effectively nullifying those sanctions, The Sentry—together with a broad coalition of partners—launched a major [media](#) and

[advocacy](#) campaign against this unprecedented action. The new administration revoked the license, allowing the DRC's anti-corruption efforts to [get back on track](#).

The DRC government has implemented other incremental reforms on transparency and anti-corruption:

- New board of directors for Gécamines and commitment on contract transparency – to publish all natural resource contracts going forward.
- Reorganization in the military, removing certain (but not all) abusive generals.
- Increased transparency at the Central Bank.
- The beginnings of accountability – e.g. the Vital Kamerhe prosecution and trial, the firing and judicial summoning of former ANR chief Kalev Mutond, and the removal of Albert Yuma from his position as head of Gécamines.
- Cancelling of the corrupt passport contract that the family of former President Kabila was involved in, although the new contract needs significantly more transparency.

However, despite these initial disruptions and reforms, many elements of the system of violent kleptocracy remain intact:

- Several abusive generals remain in high positions, some even promoted to be military governors in the east. For example, General Muhindo Akili Mundos, who has been sanctioned by the UN, US and EU for his involvement in human rights abuses, was promoted instead of being indicted for alleged abuses in Beni.
- Conflict and displacement are worsening in eastern DRC, with the UN High Commissioner for Human Rights reporting [1,300 civilian conflict-related deaths](#) between October 2019 and May 2020, and the World Bank [reporting a 50% increase](#) in the number of battle-related deaths from 2019 to 2020, after two years of declining numbers.
- The DRC government has taken no action against Dan Gertler, and Gertler was able to launder the proceeds of corruption through banks in the DRC.
- Despite some high-profile changes, many corrupt officials still in place at state-owned mining companies and the central bank.
- No real action has been taken against corruption in the Kabila family, the new passport contract was replaced with a contract with a subsidiary company and the corrupt actors in the previous contract were not held accountable.

**Supplementary Activity A - Increasing awareness and action by the DRC's political class, the media, and the population regarding corruption in the natural resource and banking sectors.**

The Sentry engaged extensively with policymakers and the media inside and outside the DRC on corruption, governance, and transparency issues during this period. Our policy engagement included work with senior DRC officials, US and European government policymakers, international financial institutions and private banks, and multinational electronics and gold corporations and their associations. The Sentry aimed to have the US, European states, the DRC, and the private sector establish consequences for those actors most responsible for corruption and violence in the DRC and enact policy reforms to prevent corruption, promote good governance, and resolve violent conflicts.

**Senior DRC government officials:** The Sentry has strengthened its relationship with President Tshisekedi's senior advisors and ministers. Our team regularly engaged with them on anti-corruption and transparency reforms in the mining and banking sectors, conflict gold and the responsible gold trade, the governance reform prerequisites for a robust IMF loan, and electoral reforms. We organized a DRC event with the Brookings Institution which included President Tshisekedi's Deputy Chief of Staff, Ambassador André Wameso. We also regularly engaged opposition politicians and prominent members of parliament on these same issues, including: Moïse Katumbi, Martin Fayulu, Adolphe Muzito, Samy Badibanga, and MP Patrick Muyaya who then became the Government Spokesperson and Minister of Information.

**Senior US government officials:** As the US government transitioned from the Trump Administration to the Biden Administration, The Sentry has developed excellent working relationships with the new team. In fact, many existing close contacts moved into senior roles in the Biden administration, including USAID Administrator Samantha Power, several senior officials in the State Department Africa Bureau and Bureau of Economic and Business Affairs, the Deputy Secretary of the Treasury and his senior counselor, several members of the National Security Council, and senior advisors to US Ambassador to the United Nations Linda Thomas-Greenfield.

In March 2021, The Sentry published a briefing called "[Using Financial Pressures to Combat Kleptocracy in Africa](#)," outlining opportunities for the Biden administration to have an impact on the DRC and other areas of East and Central Africa. In it, we outlined how US and multilateral tools of financial pressure, including groundbreaking anti-money laundering reforms in the Anti-Money Laundering Act of 2020 (AML Act), can save lives and support efforts toward good governance, human rights, and sustainable peace.

**US Congress:** We briefed key Senate and House offices on the need for a US Special Envoy to the Great Lakes region in June 2021. Sentry co-founder John Prendergast [testified at the House of Representatives Africa Subcommittee](#) in May 2021 on the effectiveness of US sanctions policy in Africa. Drawing on The Sentry's experiences in South Sudan and the DRC, he emphasized the power of targeted network sanctions to provide leverage against corrupt actors and their international collaborators. Moreover, The Sentry led advocacy efforts on Congressional funding to increase the capacity of the Department of the Treasury to investigate corruption and human rights abuses with a focus on African countries, including the DRC. As a result of our engagement, including almost 100 advocacy meetings by more than 150 activists at our annual Lemkin Summit, Congress earmarked \$3,000,000 for sanctions work at the Treasury Department and specifically highlighted the need to focus on the DRC.

**NGO coalition:** The Sentry continues to lead a coalition of 10-15 US-based DRC experts and NGOs, including: Human Rights Watch, the McCain Institute, International Republican Institute, National Endowment for Democracy, National Democratic Institute, Freedom House, Open Society Foundations, Panzi Foundation USA, Oxfam America, the US Conference of Catholic Bishops, Stimson Center, Never Again Coalition, and several leading independent experts. During this period, we organized NGO coalition meetings with the US Ambassador to the DRC, with key church and civil society leaders in the DRC, and with the IMF to discuss transparency requirements for their disbursements of funds to the DRC.

On behalf of the NGO coalition, The Sentry organized a letter to the Biden administration calling for the US to appoint a new high-level Special Envoy to the Great Lakes and the DRC. [The letter, signed](#)

[by 15 organizations and experts](#), called on the Biden administration to adopt a regional strategy to address the crisis, including appointing a high-level, well-resourced special envoy to coordinate the use of all diplomatic tools, including modernized sanctions, travel restrictions, and anti-money laundering measures, to reduce regional conflict and strengthen the rule of law and democratic governance. The experts called for the regional strategy to address five main areas: Armed conflicts in eastern DRC; the trade in conflict gold and other natural resources; the need for a vetting mechanism to remove abusive officers from command positions in the Congolese security forces and a new judicial mechanism; the failure to complete a democratic transition in the DRC; and the use of financial leverage to complement traditional diplomatic tools.

**International Monetary Fund:** The Sentry was one of the only NGOs to regularly engage the IMF on the DRC to maximize policy impact. The incentive of a large IMF Extended Credit Facility loan to the DRC provided the leverage to push for policy reforms in the DRC. The Sentry met with the IMF DRC team on several occasions during the grant period, briefing them on matters of corruption and governance issues in the DRC. The Sentry urged the Fund to push the DRC government harder to make mining and banking transparency reforms in order to get the ECF loan. This had several successes, including: a new board of directors for Gécamines, new transparent reporting at the Central Bank (BCC), new mining contract transparency requirements set out by President Tshisekedi, and renewed EITI implementation.

At the IMF's request, The Sentry conducted a targeted research project on public procurement contracting in the DRC. We prepared a memo on this issue and presented it to the IMF in April 2021. Our team compared the most recently available data of DRC government contracts (2018) with past years (2014-16). We found an alarming increase in no-bid contracts (up from 11-25% to 56%), as well as potential sanctions exposure and the allocation of contracts to politically exposed persons (PEPs) and obscure companies with little track record in the relevant sector. The Sentry offered several recommendations to the IMF team on this issue, including that the IMF should urge the DRC government to: fully enforce the law on public bidding for contracts; allow no-bid contracts only in extreme situations of national urgency or security; ensure that only companies with expertise in the area of work receive contracts; set up a monitoring system for public procurement, as recommended by the Open Contracting Partnership; and have public contracts audited by an independent body. Following our engagement, the IMF insisted on transparency requirements with the DRC government, asking all contracts above \$12k to be published, and all beneficial owners to be disclosed for contracts above \$1 million.

**European governments, the EU, and the UK:** The Sentry continues to engage UK and EU stakeholders on DRC-related matters. This includes ongoing briefings with DRC desk officers, regional heads and sanctions teams at the Foreign, Commonwealth, and Development Office (FCDO) on our reports and their outcomes. The Sentry worked in coalition with two other NGOs to directly advise the FCDO sanctions team on the US Gertler licensing episode, as a "lessons learned initiative" for UK sanctions action. The Sentry is now working in coalition with other UK-based NGOs on DRC related sanctions submissions. The Sentry has also submitted evidence to the ongoing investigation into alleged corruption in the British Virgin Islands, building on work exposing the vulnerability of the Dutch financial system to DRC originated funds via BVI.

At the EU level, The Sentry has directly briefed members of the EEAS on our DRC reports, as well as engaging with EU Member States on our reporting and its outcomes. As a result, The Sentry has

established itself as a key figure in the UK and EU on DRC issues and the links between corruption and conflict and human rights violations.

The Sentry conducted a study commissioned by the Dutch Ministry of Foreign Affairs, on [Corruption in the Great Lakes Region and Possible Ties to the Dutch Financial System](#). Our research found that profiteers seeking to loot African countries and hide their ill-gotten gains abroad are utilizing holding companies in the Netherlands. We identified dozens of connections between Dutch nationals and companies and high-level, politically connected figures in the DRC and Great Lakes region, as well as numerous risk factors for money laundering and corruption. Using these findings, we engaged the Dutch Ministry of Finance, Dutch banks and financial regulators to help them identify, disrupt, and prevent abuse of the Dutch financial and corporate system by corrupt actors. In response to questions raised by parliament after the publication of our study, The Sentry submitted additional information to the Dutch MFA about Dan Gertler's current corporate network.

**United Nations:** The Sentry briefed the UN sanctions committee on the DRC on conflict gold and sanctions busting issues, and regularly briefed the UN Group of Experts on the DRC on conflict gold and other related sanctions issues. We also shared evidence with the UN Panel of Experts on the DPRK focused on North Korean sanctions busting in the DRC, leading to the Panel to include our findings in their latest report and to recommend sanctions be placed on Korea Paekho Trading Corporation.

**Private sector:** The Sentry continued to engage leading electronics companies on conflict minerals (conflict gold in particular, as well as cobalt and corruption), in particular Apple, Google, and the electronics industry association Responsible Minerals Initiative (RMI).

- We published a [study of more than 1,200 SEC filings by electronics, jewelry, and automotive companies](#) to assess whether the companies are sourcing from smelters and refiners that have been found to be conflict-free by credible, independent, third-party audits. Our research showed that a majority of the largest companies are still not requiring suppliers to source from conflict-free refiners and smelters.
- We presented to the RMI and its member companies on a quarterly basis, briefing over 70+ companies on each call on our reports on conflict gold, the conflict-free refiners study noted above, and other materials.
- And The Sentry collaborated with Google and Denis Mukwege's Panzi Foundation to launch the film "[Ukweli](#)" (The Truth). The film showcases Congolese artists and messages of self-determination, and we promoted advocacy messages to help boost the conflict-free gold and minerals trade and to empower Congolese civil society.

The Sentry also collaborated with the London Bullion Market Association (LBMA), one of the world's most influential gold associations, to highlight the position of Dubai as the primary destination for conflict- and corruption-linked gold from the DRC. Several refineries that buy conflict gold are based there, and several UAE government policies facilitate smuggling. In partnership with the LBMA, The Sentry co-organized a public event on the role of Dubai and other global gold trading centers such as India and Switzerland, with hundreds of companies participating around the globe. Separately, we hosted a panel on Global Gold Bullion Centres and responsible and conflict gold. Following our significant public and private engagement, the LBMA launched its global gold bullion centers initiative in November 2020 to urge Dubai and other centers to reform their policies to reduce the conflict gold trade and increase the responsible gold trade.



The Sentry [formalized its engagement with Refinitiv](#), one of the world's largest providers of financial markets data and infrastructure. Through this partnership, The Sentry will provide Refinitiv with hard-to-obtain information on illicit activities and individuals who operate in Africa, including the DRC. Relevant data provided by The Sentry will help expand Refinitiv's capacity to assist companies in their efforts to meet regulatory obligations with respect to money-laundering and the financing of terrorism. Beyond the provision of data, our collaboration includes hosting joint events and webinars, starting with an online event in April on key actions that financial institutions, companies, and government can take on conflict gold and wildlife trafficking, which was attended by more than 2,000 people around the world, most of them compliance officials from banks and various companies.

**Banks:** The Sentry has continued to enhance its intelligence sharing capabilities directly with top tier financial institutions as well as via the Joint Money Laundering Intelligence Taskforce (JMLIT) which includes regulators and law enforcement agencies. Activities have included private briefings with trusted banks, frequent roundtables with Heads of Anti-Money Laundering and/or Financial Crime, and masterclasses with 500+ banking employees of individual banks working around the globe on investigating and preventing illicit financial flows to create awareness of existing threats plus impact of the work they do.

The Sentry actively shares case files, trends and typologies, and also responds to requests for additional information. We collaborated with other civil society groups to pen an [open letter](#) to banks following the issuance of an OFAC license to Dan Gertler and gave a background briefing on this at the JMLIT. The Sentry has additionally shared case studies from [Overt Affairs](#) on the use of the banking system to breach sanctions, [Covert Capital](#) highlighting the Kabila's family attempt to control the DRC's banking system, and additional reports including the [Golden Laundromat](#) and a [gold advisory](#) on the illicit finance risks linked to conflict gold.

The Sentry regularly receives positive feedback on its reporting and has been advised that its reports are treated as high priority, leading to the launch of country-specific or thematic reviews and investigations. These reviews include sweeping internal customer databases and transaction systems to identify suspicious activity and have led to the submission of Suspicious Activity Reports or Suspicious Transaction Reports (SARs/STRs). One global bank has advised it has submitted SARs/STRs that amount to over \$500 million based on The Sentry's DRC work. The Sentry has also been advised that case studies pulled from The Sentry's reporting are used internally for training and for tuning internal systems.

### **Activity A - Investigations**

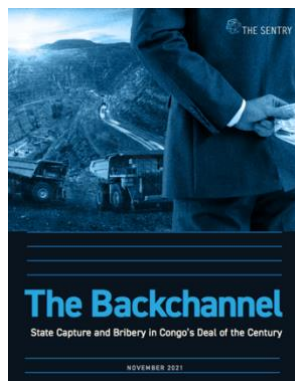
During the past year and a half, The Sentry's investigative team has continued to gather evidence from insider testimony, photos, documents, dates of specific purchases, radio intercepts, taxation receipts in mining areas, satellite imagery, banking information, shipping data, and records of assets owned by suspected perpetrators. Although the COVID-19 crisis put a temporary stop on most investigative travel, our team developed new and creative ways to analyze data, access open source intelligence, and remotely engage with our network of sources, contacts and consultants in the region. The pandemic also provided the opportunity to focus on converting the wealth of evidence our team had collected – and continues to collect – into publishable investigative reports and dossiers of evidence for law enforcement and banks to take action.

The most recent and most significant of investigative activity during the reporting period took place as a partner in the international consortium "[Congo Hold-up](#)." The Sentry was able to work alongside PPLAAF, Mediapart, and the European Investigative Collaborations (EIC) to examine a trove of more than 3.5 million bank documents and millions of transactions, the biggest such leak of confidential data in African history, exposing how allies of former President Joseph Kabila looted Congo's resources for more than a decade. The Sentry was asked to join the collaborative to help make sense of the leaked documents and decode the corporate networks of Kabila's inner circle.



The scandals uncovered by Congo Hold-up revolve around a bank controlled and run by members of the Kabila family. They helped facilitate bribery and embezzlement of over a hundred million dollars intended to fund essential services such as roads, schools and hospitals, investment critically needed after decades of mismanagement and successive wars. Instead, these funds lined the pockets of the powerful—at the expense of the Congolese people, 60 million of whom live below the poverty line.

The Sentry published two landmark reports with in-depth revelations of the various methods the Kabila family used to hide the proceeds of corruption. The first, "[Embezzled Empire](#)," was a deep dive into theft from government coffers, looking at how Kabila's allies abused the global financial system to stash their stolen funds in foreign real estate. The second, titled "[The Backchannel](#)," showed how Congolese elites colluded with Chinese state-owned firms on a massive deal for control of the DRC's mineral wealth, all while embezzling funds earmarked for desperately needed investments in roads, railways, and hospitals.



In August 2020, The Sentry published an alarming report ("[Overt Affairs: How North Korean Businessmen Busted Sanctions in the Democratic Republic of Congo](#)") exposing how two North Korean businessmen openly busted sanctions in the DRC. Aside from the potential risk this activity poses to international peace and security, this case highlights deep flaws in the DRC's sanctions



enforcement and compliance infrastructure. Our report identified mechanisms within the government and banking systems that are being exploited and made recommendations for corrective action to strengthen them. A major professional association in the region assured The Sentry that the information provided will result in significant consequences for the bankers involved and will catalyze systemic change.

Our investigative team kept digging, and in January 2021 we brought to light new information in a follow-up report, "[Artful Dodgers: New Findings on North Korean Sanctions-Busting in the Democratic Republic of Congo.](#)" This second report included new revelations illustrating how North Korean actors exploit weak institutional controls and jurisdictions with high levels of corruption. Due diligence shortfalls across private and public institutions may create systemic risk for the Congolese economy. In discussions with Congolese civil society and banking sector actors before and after the publication of *Overt Affairs*, The Sentry has been making the case that for sanctions to create impact, it is imperative that governments, multilateral bodies, and global banks provide assistance to sanctions enforcement institutions.

The other major investigation published in the past year and a half focused on contract fraud in the Congolese electoral commission (*Commission électorale nationale indépendante*, or CENI). Our report, "[Fingerprints and Money Trails: DRC's Election Chief Cuts Deals on Both Ends of the 2018 Vote,](#)" showed that CENI awarded a multimillion-dollar contract to two companies, one of which was owned by a would-be business partner of the electoral commission's president. This demonstrates how the electoral bureaucracy has been co-opted time and again for private gain, risking exacerbating political tensions. By providing evidence of deal-making among political insiders at the electoral commission we showed the extent to which the CENI remains vulnerable to corruption and conflicts of interest. The evidence of impropriety at the CENI found by Sentry investigators highlights a wider system of state capture that has long plagued the DRC, creating incentives for leaders to cling to power and hijack state institutions for their own benefit and that of their foreign and domestic facilitators.



In addition to publishing these major reports, The Sentry has provided numerous investigative dossiers and critical primary documents to the US Department of the Treasury, the EU, UN Panel of Experts, and other government agencies, pertaining to individuals and entities engaged in sanctions evasion, corruption, and terrorism financing. Our team has briefed more than 15 international banks and shared investigative data with banks and financial data service providers focused on North Korean sanctions busting, gold flows from DRC and other parts of East and Central Africa, and top-level DRC officials allegedly involved in corruption. Specifically, we have provided evidence and recommendations to a global bank in its engagement with DRC officials, and contributed to a legal action project in conjunction with a major transparency organization.

The Sentry has also continued to be very active in combating the conflict gold trade, which still provides the largest source of revenue to armed groups in the conflicts in eastern DRC. We published two analytical reports on conflict gold in the past year: "[Understanding Money Laundering Risks in the Conflict Gold Trade: From East and Central Africa to Dubai and Onward](#)," in November 2020, and "[Conflict to Responsible Gold: A Roadmap for Companies and Governments](#)," in February 2021.

The first report, which was mainly targeted at banks and other financial institutions, highlighted the money laundering risks stemming from the flow of conflict gold from four countries affected by armed conflict and corruption—the DRC, South Sudan, Sudan, and the Central African Republic (CAR)—with a focus on risks in Dubai. Our investigations found that over \$3 billion in gold mined in East and Central Africa reaches international markets in the United States, Europe, Asia, and the Middle East annually, and 95% of this gold flows through Dubai. The UN Group of Experts on DRC reported in 2020 that the volumes of gold smuggled out of the DRC "were significantly higher than the volumes of legally traded gold," noting that, "the Congolese gold sector remained vulnerable to exploitation by armed groups and criminal networks and to unregulated trade."

The second briefing paper highlighted that the technology, jewelry, financial, and automotive sectors, when purchasing gold via Dubai, are increasingly at risk of benefiting armed groups responsible for mass atrocities in multiple countries in East and Central Africa. The briefing paper discussed five main policy issues that continue to incentivize the conflict gold trade and do the opposite for the responsible trade. The Sentry believes this is a key opportunity for action by governments, companies, and banks.

### **Activity B – Safe Reporting Platforms**

This activity was mostly completed in the previous reporting period, but The Sentry has continued maintenance of the whistle blower platform, available through whistle-blower software, secure phone applications, and an encrypted e-mail service. We have received a range of sensitive materials through the platform that we continue to follow up on and which may feature in forthcoming investigations.

### **Activity C – Local-language shareable social media and communications**

The Sentry amplified its impact on grand corruption in the DRC through its Corruption is Cancer/La Corruption Tue campaign, which was conducted in coordination with the "Congo is Not For Sale" coalition (CNPAV) and other Congolese civil society groups. As part of this campaign, The Sentry published 17 graphics and 5 videos aimed at both increasing Congolese awareness of large-scale corruption and the chances for policy impact on key grand corruption issues in the DRC.

In total, these graphics and videos generated over 200,000 impressions on social media, mainly among Congolese audiences, and were frequently shared by Congolese civil society and opposition leaders. Combined with other engagement, this helped increase the political will to address corruption issues in the country. The graphics and videos were always accompanied by The Sentry's senior-level policy engagement and advocacy with President Tshisekedi's senior team, US government policymakers, the IMF, and other key actors.

Importantly, the campaign graphics were coordinated with Congolese and other international calls for action, which greatly amplified the advocacy and attention on these issues. This combination of efforts led to concrete policy impacts on a number of the issues raised in the graphics. However,

there is still more work to do in fully addressing grand corruption and governance issues in the DRC and more attention and advocacy will be needed going forward.

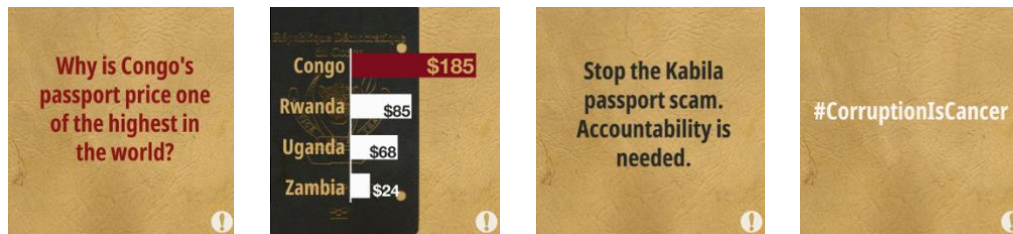
- **Gécamines graphic:** This graphic, combined with policy engagement from The Sentry and significant pressure from CNPAV and other civil society groups, led to concrete, groundbreaking impact in 2021. In a landmark move in August 2021, Gécamines published its 2020 annual financial report, a very welcome development which was also applauded by civil society groups. This was the first time that Gécamines had published its annual financial report, something that The Sentry and other groups had been calling for for several years. The Sentry had engaged President Tshisekedi's team and the IMF DRC team repeatedly on this issue throughout 2019 to 2021. However, this is not the end of the Gécamines corruption saga. Notably, Gécamines did not publish its past annual financial reports, particularly those from 2010 to 2019. Civil society groups including The Sentry have noted significant missing funds from Gécamines during that period, so the company should release its annual financial reports from that time. The Sentry echoes Congolese civil society calls to that end, and more engagement will be needed to have those financial reports published.



- **China contract/Sicomines graphic:** Similar to the Gécamines graphic, the combination of the Sentry's Sicominex graphic and advocacy and policy engagement by The Sentry and Congolese civil society led to a remarkable policy development. In September 2021 President Tshisekedi announced that the DRC government would now be reviewing the China/Sicomines contract. He called for the technical and financial details of Sino-Congolese contracts and lamented that despite the DRC's minerals wealth and \$6 billion China contract, the country still lacked basic infrastructure. The Sentry had been engaging President Tshisekedi's team on this issue. Nonetheless, it remains to be seen what change will come from this review and whether the new contracts will be more transparent and more beneficial to the Congolese people. More follow-up engagement and advocacy will be needed to ensure those steps are taken.



- **Passport graphic:** Similar to the first two graphics, the combined advocacy from The Sentry and CNPAV and media attention led to impact on the DRC passport issue, though more is still needed on this issue. Following a Reuters investigation and The Sentry's and CNPAV's advocacy, the DRC Ministry of Foreign Affairs announced in 2020 that its passport printing contract would be canceled, and the price of a passport would be reduced from \$185 to \$99. However, the system of bribery to obtain passports is still in place, and informal "fees" make the price of a passport much higher for Congolese. Moreover, the new contract is reportedly with a subsidiary company, and there has been no investigation of the Kabila family and their involvement in the previous passport contract. Continued advocacy will still be needed to achieve a transparent contract and a significantly reduced actual price of passports for Congolese citizens.



- **Military generals graphic:** This graphic was combined with repeated policy engagement and advocacy by The Sentry, Human Rights Watch, and Congolese civil society to achieve impact. Certainly, some victories have been achieved as a result, but there is a long way to go on this complex issue. Following the combined advocacy, the DRC Ministry of Justice issued an arrest warrant for John Numbi for the killing of Floribert Chebeya and other human rights crimes, and Numbi has been on the run since this was issued, reportedly hiding in a foreign country. Similarly, the DRC Public Prosecutor issued a summons for General Kalev Mutond, the former Director of the national intelligence agency ANR, to appear for questioning in early 2021, and subsequently issued an arrest warrant for him and had police raid his home in Kinshasa in March 2021. Kalev has been on the run as well since that time, reportedly now residing in a foreign country.

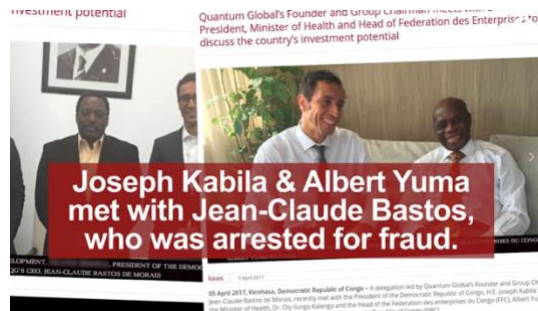
Furthermore, certain FARDC officers are being investigated for Beni crimes, gold trafficking, embezzlement, and some colonels have been indicted. Finally, General Gabriel Amisi Kumba was transferred from an operational role, where he was allegedly involved in a number of anti-democracy actions and human rights abuses, to a non-operational role, although the move gave him greater financial responsibilities within the military, which is very questionable given his history of involvement in conflict minerals trafficking. And there is a long way to go on this issue: General Muhindo Akili Mundos, sanctioned by the UN, US, and EU for his involvement in human rights abuses, was promoted instead of being indicted for his alleged human rights abuses in Beni. Furthermore, the Beni investigation is being led by Gen. Amisi, making it questionable. To that end, The Sentry plans to continue raising awareness about the involvement of FARDC officers in corruption and trafficking of natural resources.



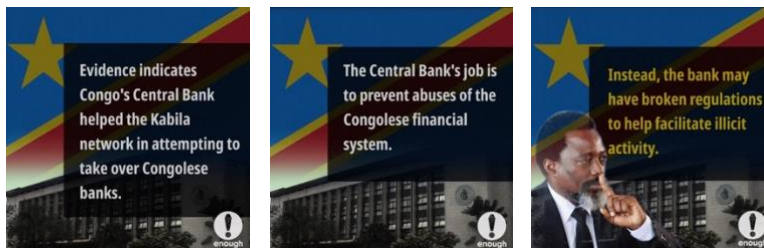
- **Gold tax graphic:** There has not yet been movement on gold export taxes in the region. However, The Sentry raised this issue with President Tshisekedi himself in our meeting with him, and have been following up with his senior staff on the issue. They have repeatedly told The Sentry that they are working on the issue and hoped to report positive results from it later in 2021. The Sentry plans to publish more graphics on the conflict gold trade, including on the tax issue, to follow this up.



- **Albert Yuma graphic:** When this graphic was published, Albert Yuma was still the Chairman of the Board of Gécamines, a powerful role, and The Sentry called attention to his alleged role in illicit minerals deals, which had not been investigated by the DRC government. Yuma was blocked from becoming DRC Prime Minister, and his influence within Gécamines was limited when the DRC government appointed a new Board of Directors and a new CEO, and Yuma was removed from being on the board of directors of the Central Bank. Since then, following the Congo Hold-up revelations, Yuma has also been removed from his position at the head of Gécamines.



- **Central Bank graphic:** The Central Bank (BCC) made several steps forward on transparency, including publishing its financial statements for the first time. Importantly, Albert Yuma was removed from being on the board of directors of the Central Bank of the DRC in mid-2021. These were landmark steps. It is widely acknowledged that the IMF's pressure led to these developments, and The Sentry had repeatedly engaged the IMF on these issues as well as President Tshisekedi's senior staff, as did members of the CNPAV coalition. However, the Central Bank's role in past questionable deals as raised in The Sentry's reports has not yet been investigated, so more advocacy will be needed.



- **Dan Gertler video:** This video was coupled with significant advocacy by The Sentry, CNPAV, and other international and Congolese civil society groups mentioned above. As a result, the US canceled the license given to Gertler at the end of the Trump administration. However, the US has yet to sanction Gertler's new companies, President Tshisekedi has yet to launch a DRC government investigation of Gertler, and the European Union has yet to sanction Gertler. There is additional work to be done regarding advocacy on this key corruption issue.



### **3. Impact**

The Sentry's hard-hitting investigations, public advocacy with our partners, and strategic engagement on policy combine to form a coordinated campaign of financial and political pressure that continues to drive impact. Since the start of our project in October 2018, the DRC has undergone a political transformation, embarking on a tentative trajectory that could lead to meaningful reforms on corruption, governance, and human rights. However, although we have been able to cause certain disruptions, the underlying system of violent kleptocracy is still in place, and it continues to be at the heart of development and security challenges in the DRC. Sustained financial and political pressure will be needed to disable that system permanently.

Over the last 16 months, The Sentry's investigations have exposed corruption in gold, banking, electoral committee and North Korean sanctions. Our public advocacy campaign has increased awareness among Congolese public, and created space for public discussion of corruption. And through direct engagement with the DRC government as well as strategic engagement with influential external stakeholders—the US government, IMF, and global banks—we have generated significant pressure on the DRC government to enact reforms. Tshisekedi has made anti-corruption a policy priority, and his government has taken steps to enact reforms in the mining sector: Gécamines published first annual financial report, and the DRC has announced a review of a \$6bn China/Sicomines contract.

In the wake of the Congo Hold-up revelations, Prime Minister Alexander de Croo [reacted](#), saying:

*"it is a good thing that this has been exposed. Corruption in any form is completely unacceptable. On top of that, this case hurts the most vulnerable. (...) This has to help [President Tshisekedi] and his government make real progress in the fight against corruption."*



The Congolese government has started to take action: Albert Yuma, a central figure in Kabila's looting machine, has been removed as head of the DRC's state-run mining company Gécamines, and Kinshasa-based prosecutors have opened at least one criminal investigation. Meanwhile, members of the US Congress and the Danish parliament have raised tough questions based on the Congo Hold-up revelations, while representatives of several other governments have reached out to The Sentry for more detailed briefings.

The Sentry's work on the Congo Hold-up leak, and the Embezzled Empire report in particular, has also been cited by the US government's Financial Crimes Enforcement Network (FinCEN) in a [new regulatory proposal](#) aimed at countering the use of real estate purchases to launder proceeds from political corruption.

Another major impact of our work were the targeted sanctions levied against Dan Gertler, a key international enabler of corruption in the DRC. The Sentry has worked for years to create serious consequences for this mining tycoon, who may be the outsider most responsible for mass looting in the Democratic Republic of the Congo. After a last-minute attempt by the Trump administration to remove all of the sanctions against Gertler, The Sentry and others were successful in convincing the Biden administration to restore them. The Sentry partnered with a broad coalition of [Congolese civil society groups and international NGOs](#), and received front-page coverage by the [New York Times](#), as well as stories by [Reuters](#), [Bloomberg](#), and many others. Our team worked behind the scenes with [Senate](#) and [Congressional](#) offices to push for action, and we led a group of prominent US civil society groups [calling on banks](#) not to unblock Gertler or his networks. In March 2021, the State Department announced in a press conference that the license to Gertler was rescinded. (Here's our op-ed on [why this move mattered](#).) In December 2021, the US announced [new sanctions on Alain Mukonda and 12 associated entities with close ties to Dan Gertler](#), further extending the penalties against his network. The Sentry will continue to work on upholding and increasing those financial penalties on Gertler and his companies.

In order to continue advancing the DRC reform agenda through policy change, and to prevent the country from backsliding on the promising steps it has taken in the past couple of years, The Sentry will continue to bring to bear financial and political pressure on the DRC government and on the country's underlying system of kleptocracy. Looking ahead, we will continue to leverage Sentry investigations and policy engagement to influence US, IMF and bank policies towards the DRC, and create sustained pressure on President Tshisekedi to enact reforms. The US and IMF in particular are two actors with immense influence on the DRC where The Sentry can build on strong relationships and an existing track record of influence. Moreover, we will increase coordination with Congolese civil society to amplify anti-corruption efforts and create pressure from all angles —we are in the midst of bringing on a DRC-based analyst who will prioritize working with local civil society actors and organizations on anti-corruption efforts.

#### **4. Partners**

**Congo Hold-up consortium.** The Sentry is a partner in the international consortium "[Congo Hold-up](#)," which exposed how allies of former President Joseph Kabila looted Congo's resources for more than a decade. As noted above, The Sentry helped the collaborative make sense of the leaked documents and decode the corporate networks of Kabila's inner circle. For a full list of Congo Hold-up consortium partners, see [here](#).

**DRC-based civil society.** We regularly consult and engage with Congolese civil society and pro-democracy groups such as Filimbi, LUCHA, CLC, the Congo is Not for Sale coalition, OEARSE, ODEP, COGEP, Afia Mama, ASADHO, National Resource Governance Institute, and others. These consultations and dialogue have three main aims: 1) to better understand Congolese policy priorities on governance and corruption and also to help them understand the US policy context and policy opportunities in the United States and/or with the private sector; 2) to ensure that our #LaCorruptionTue campaign videos and graphics are relevant to the Congolese context, are complementary to parallel Congolese anti-corruption campaigns, and speak in an appropriate, accessible style to best engage wide Congolese audiences; 3) to collaborate with these same local groups, influencers, and leaders to invite their participation in sharing and further extending the reach of the campaign.

The Sentry also participated in a [Twitter Live event](#) hosted by the Congo N'Est Pas à Vendre coalition to bring further attention to the Congo Hold-up revelations.

**US-based civil society.** In order to maximize our efforts and act as a force multiplier for advocacy, we continued to lead an NGO coalition focused on DRC policy advocacy in the United States. This group is comprised of representatives from 10-15 NGOs and DRC experts, including: Human Rights Watch, the McCain Institute, International Republican Institute, National Endowment for Democracy, National Democratic Institute, Freedom House, Open Society Foundations, Panzi Foundation USA, US Conference of Catholic Bishops, Stimson Center, and several leading independent experts on the DRC. The group's objective is to discuss and develop joint policy advocacy messages to the US administration, Congress, and other important stakeholders, to act as a forum for sharing information on key DRC policy topics, and to engage as a group of concerned US NGOs with senior DRC officials. The Sentry led the creation of a [coalition statement](#) sent to banks and senior US officials in relation to the Gertler license in early 2021. We have organized meetings between visiting DRC government officials as well as Congolese civil society, and DC based organizations as part of this coalition.

**Whistleblowers.** The Sentry Leaks platform is live, allowing for anonymous and secure submission of tips and information to support The Sentry's investigations. To support awareness of the platform, the Sentry communications team has launched a promotional campaign calibrated to drive attention and interest among well-placed professionals, officials, and practitioners. The campaign is initially focusing on banking, transport, and healthcare/medical provision sectors amid the Covid-19 response, in order to elicit information for investigations into the potential diversion and theft of funds that could severely hamper critical lifesaving initiatives.

**Media partnerships.** Two Belgian newspapers, [De Standaard](#) and [Le Soir](#)—both members of EIC—have provided in-depth coverage of the Congo Hold-up revelations in Dutch and French, respectively. The Sentry co-authored front-page articles in both outlets on the [Chinese money laundering scheme behind the "Deal of the Century" for control of Congolese cobalt](#) ([here is the Le Soir story](#)). The Sentry also participated in a [Twitter Live event](#) hosted by the Congo N'Est Pas à Vendre coalition to bring further attention to the Congo Hold-up revelations. Additional reporting by other media partners uncovered many more stories, involving a [mysterious mega-yacht](#), [Dutch poultry farmers](#), and a [Hezbollah financier](#). The BBC produced a 45-minute documentary on the scandal, called "[Congo's Missing Millions](#)." For a [full list of articles and reports](#) published by the project, including coverage in at least 14 different languages, see the EIC website.

## **5. Gender equality strategy**

The Sentry has endeavored to ensure that its DRC programming is gender-sensitive in three main ways. First, we prioritize the inclusivity of women in our work with Congolese leaders and groups. We collaborate with Congolese women leaders of the CLC, Afia Mama, Panzi Foundation, and President Tshisekedi's female advisers on DRC policy issues around mining, banking, and transparency reforms. Second, when we convene public policy events or joint advocacy statements, we have prioritized women's leadership and participation in the events. Moreover, certain ongoing investigations have gender-sensitive angles. One example is ADF and gold investigation. The ADF has engaged in sexual violence and funds its campaign through gold, which is one angle that we are focusing on.

## **6. Donor visibility**

Following the signing of the grant agreement, The Sentry agreed with team members of the Federal Public Service Foreign Affairs not to feature the name or logo of the embassy of Belgium in Kinshasa on its website or in reports, briefings and alerts, in light of historical sensitivities in the DRC, as well as litigation risks emanating from our published investigations. Moreover, we had agreed not to publicly identify the donor in videos and social media shareable graphics to be distributed among Congolese civil society groups, due to security concerns for whistleblowers and those civil society groups themselves, who could be placed at risk of arrest, imprisonment, or physical harm.

## **7. Financial report**

Please find the financial report annexed to this report, including the following:

- **Annex A: Financial Report** – a table comparing the breakdown of the approved budget to the actual expenses incurred to date;
- **Annex B: List of Supporting Documents** – grouped by budget item, in chronological order within each budget item and giving the number of the document within the budget item, with the date, title and amount;
- **Supporting Documents** – these can be accessed in this secure cloud-based share drive: [https://drive.google.com/drive/folders/1xJHdGqsurdC8mygoHon4Q\\_eBKPkpSIif?usp=sharing](https://drive.google.com/drive/folders/1xJHdGqsurdC8mygoHon4Q_eBKPkpSIif?usp=sharing). Please note that The Sentry's organizational policy for expense reporting does not require employees to obtain or retain receipts for expenses below \$75, and as a consequence those are not included in the supporting documents. A copy of our expense reporting policy has been included for reference.

**Explanatory Note:** During the second half of the grant period, pandemic-related restrictions on travel forced us to delay or adjust certain investigative activities, resulting in a significant underspend on budget lines related to meetings and conferences, travel, and associated equipment. In light of these changing circumstances, the underspend was reallocated to additional staff capacity and external contractors, enabling The Sentry to develop and deploy a range of open source intelligence methodologies to gather and analyze information and evidence remotely—including the massive dataset uncovered through the Congo Hold-Up leak. Moreover, The Sentry's already-robust network of contacts in the DRC and the Great Lakes region provided a solid foundation for our team to advance its investigations, while also continuing to engage—in accordance with social distancing

guidelines—relevant policy makers in the US, Europe, the DRC, and elsewhere. We also invested in developing in-house capacity to create the shareable graphics and other communications products for Activity C, resulting in a shift of resources from external contractors to staff salaries. The overall reallocation of funds amounts to <10% of the total grant budget.

This report, as well as its annexes and supporting documents, has been submitted in electronic version only. A hardcopy version can of course be made available upon request.

## **8. Appendices**

Annex A: Financial Report

Annex B: List of Supporting Documents