

# Beyond Carrots, Better Sticks

Measuring and Improving the  
Effectiveness of Sanctions  
in Africa

By Hilary Mossberg

October 2019



# Beyond Carrots, Better Sticks

---

Measuring and Improving the  
Effectiveness of Sanctions in Africa

By Hilary Mossberg

October 2019



THE SENTRY

# Table of Contents

<a href="#">Introduction</a>	1
<a href="#">Methodology</a>	3
<a href="#">Sanctions 101</a>	4
A Brief History of Sanctions	
The Foreign Policy Toolbox	
Types of Sanctions	
What is the Process?	
Compliance and Enforcement	
De-risking/Unintended Effects of Sanctions	
<a href="#">Do Sanctions Work?</a>	12
Delisting: The Exit Strategy	
Symbolic Sanctions	
<a href="#">Case Studies</a>	16
Liberia	16
Zimbabwe	21
Sudan	26
South Sudan	32
Burundi	38
Central African Republic	43
Democratic Republic of Congo	47
<a href="#">Conclusions</a>	53
Recommendations to Improve Sanctions Effectiveness	



## Introduction

---

Sanctions are a potent coercive economic tool in the international community's arsenal and can be used to address a variety of threats to regional and international stability, including terrorism, nuclear proliferation, drug trafficking, organized crime, armed conflict, corruption, and human rights abuses. In recent history, sanctions programs have become almost the de facto response from the United States, the United Nations (U.N.), and the European Union (EU) to African crises involving armed conflict or human rights abuses. The goal of these sanctions programs is usually to bring about the end of a conflict, to coerce a particular actor or group into negotiating a peace deal or abiding by an existing one, or to impose consequences for human rights abuses. In this context, sanctions are attractive to policymakers because they send a stronger message than diplomatic engagement, but are far less extreme than military action, and policymakers can be seen to be “doing something” in the face of a conflict. In other cases, the goal of sanctions programs is to protect the U.S. financial system from abuse and disrupt illicit financial activity. There are 25 active sanctions programs in 11 African countries, with hundreds of individuals, entities, and companies designated under these programs. But how effective are these programs in achieving their goals? How is success measured? Is it possible to measure success at all, given that sanctions are often used alongside other tools to achieve a policy goal? And how are these sanctions perceived on the continent and by those who are expected to implement them?

The Sentry carried out a six-month study analyzing sanctions effectiveness in Africa in the 21st century. This paper provides several case studies to illustrate the different ways sanctions have been effective or ineffective, and culminates with a set of recommendations for improving the use of sanctions to respond to crises in Africa.

Countless academic and journalistic articles have been written on the effectiveness of sanctions programs. However, there is still no agreed-upon method or set of metrics for measuring the impact and success of a sanctions program. In almost all cases, it is extremely difficult to separate out the effects of sanctions, as they are generally not the only tool deployed to achieve a particular foreign policy goal, and there are different types of sanctions imposed at different levels. The Sentry examined seven African countries for which sanctions programs are or were in place, and analyzed the outcomes of the sanctions strategies used by the United States, the European Union, and the United Nations; one major challenge encountered here was that it was not always clear whether sanctions had been levied as part of an intentional strategy. The Sentry found that while some designated individuals did exhibit behavior changes—indicating sanctions may have had tangible effects—all of the sanctions programs suffered from poor conceptualization, coordination, implementation, and enforcement.

In addition to analyzing the sanctions strategies and behavior changes in the seven countries profiled here, The Sentry spoke to dozens of current and former U.S. and foreign government officials, sanctions





---

The Sentry examined seven African countries for which sanctions programs are or were in place, and analyzed the outcomes of the sanctions strategies used by the United States, the European Union, and the United Nations. The seven countries examined were Burundi, the Central African Republic, the Democratic Republic of Congo, Liberia, South Sudan, Sudan, and Zimbabwe.

experts, bankers, civil society representatives, regional organizations, and individuals from African countries affected by sanctions to solicit their views and experiences in understanding sanctions effectiveness in Africa. The interviews yielded a resounding message when it comes to improving African (and other) sanctions programs: better strategies for achieving identified goals in each sanctions program must be developed, more coordination between governments and regional organizations is required both during and after the deployment of sanctions, and the implementation and enforcement of sanctions regionally and around the world should be prioritized if sanctions effectiveness is to improve. The experts interviewed all agreed that network sanctions targeting the groups responsible for threats to peace and security were more effective than comprehensive sanctions applied broadly against an entire country, or even targeted sanctions applied against individuals without also pursuing their support networks.

Sanctions are used more and more often—unfortunately sometimes as a default—as a tool to encourage behavior change. While it should always be carefully debated whether sanctions are the right tool to address a given foreign policy challenge, The Sentry’s research shows that sanctions can be incredibly effective when designed, implemented, and enforced thoughtfully and transparently. The Sentry’s recommendations—designed for the United States, European Union, and United Nations—are meant to encourage the development of intentionally designed and well-maintained targeted network sanctions programs as one part of a comprehensive foreign policy response to prevent or end African conflicts, deter grand corruption, and deter human rights abuses.



## Methodology

---

How does one measure the effectiveness of sanctions? There are no agreed-upon methods or metrics for measuring the impact and success of a sanctions program in isolation. Recognizing that measuring sanctions effectiveness is an inexact science, The Sentry first attempted to understand the goals of the programs examined and then evaluated whether those goals were realized. In order to comprehend the intention of the programs, The Sentry conducted interviews with dozens of current and former officials from the U.S. government, European Union, and United Nations; submitted Freedom of Information Act (FOIA) requests for documents to better understand the internal deliberations surrounding U.S. sanctions programs; and reviewed hundreds of publicly available documents. In addition, The Sentry interviewed representatives from financial institutions operating in the region and representatives from financial institutions and regional groups involved in sanctions enforcement on the continent to understand the on-the-ground challenges of sanctions implementation in Africa.

Finally, The Sentry analyzed dozens of other studies on sanctions effectiveness and compared others' methodologies and considerations. The current body of literature on this topic underscores the difficulty of measuring sanctions effectiveness—an undertaking that may actually be impossible to do from a purely data-driven perspective. Adam Szubin, former Acting Under Secretary of the U.S. Department of the Treasury and former director of the Treasury Department's Office of Foreign Assets Control (OFAC), asserted that the best indicators for sanctions effectiveness are the internal calculations of the targeted individuals.<sup>1</sup> In lieu of having direct insight into the personal intentions of those targeted by sanctions, The Sentry used other indicators to measure efficacy: public statements, economic trends, the development of unrest or violence, and measurable behavior change.

There are numerous papers, books, reports, and journal articles examining the effectiveness of sanctions programs in Iran, North Korea, and Russia. The volume of writing on sanctions effectiveness in Africa is much smaller. This paper serves to contribute to the existing body of research on sanctions impact while adding a specific focus relative to sanctions in the context of Africa.

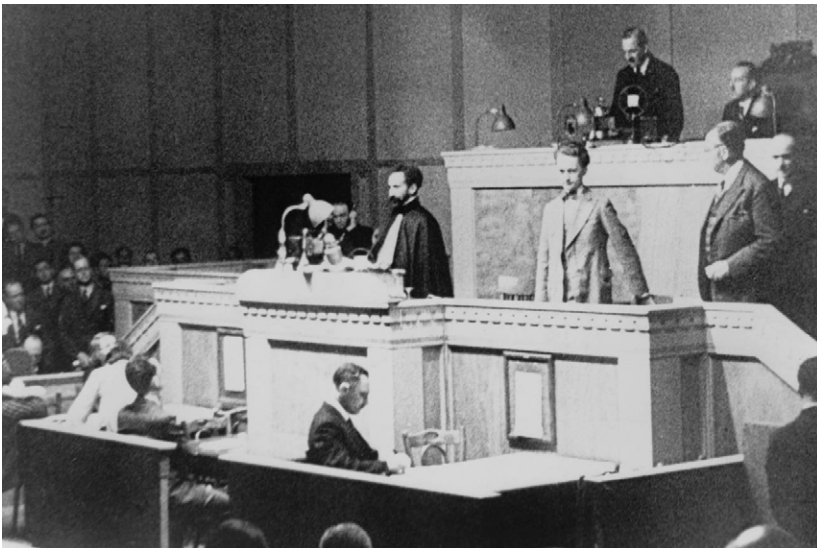


## Sanctions 101

---

### A Brief History of Sanctions

While trade embargoes have been used in various forms for hundreds of years, sanctions as we know them today have only been used since the 1930s. In 1935, the League of Nations orchestrated a boycott, or sanction, against Italy for the invasion of Abyssinia, present-day Ethiopia. France and Britain refused to implement the sanction, and it failed to force any kind of change in Italy's actions. Some historians have suggested this contributed to the deterioration of international relations that eventually led to World War II.<sup>2</sup> Just a few years later, in 1940, the United States imposed trade sanctions against Japan, seizing Japanese assets in the United States and embargoing oil.<sup>3</sup> In 1945, sanctions were added to the U.N. Charter, giving the U.N. Security Council (UNSC) responsibility for passage and monitoring. However, from 1945 to 1990, the United Nations imposed sanctions only twice: on Rhodesia (present-day Zimbabwe) and apartheid-era South Africa. In 1990, the United Nations passed sanctions against Iraq in response to Saddam Hussein's invasion of Kuwait. These sanctions were widely considered to be a failure because they had a disproportionately severe impact on the general population rather than the regime itself.<sup>4</sup> After this failure in Iraq, the United States and United Nations enacted more targeted sanctions, this time against Haitian military leaders in 1993. This was one of the first times sanctions were used in such a targeted way against the senior leadership of a country. In the late 1990s, the United Nations developed even more targeted sanctions programs that included punitive measures like travel bans and asset freezes.



In response to Italy's invasion of Ethiopia, the League of Nations imposed a boycott, or sanction, against Italy in 1935, one of the first sanctions programs of its kind. Photo: Haile Selassie appeals to the League of Nations for help against Italian Aggression. Photo: Everett Collection / Alamy.



The Angolan civil war presented the United Nations with a chance to improve sanctions effectiveness. Following independence from Portugal in 1975, Angola endured a 27-year civil war between National Union for the Total Independence of Angola (UNITA) rebels and the Popular Movement for the Liberation of Angola (MPLA). This doubled as a Cold War proxy conflict, with UNITA receiving aid from the United States and South Africa, and the MPLA receiving aid from the Soviet Union. UNITA also funded itself through the illegal sale of diamonds mined in UNITA-controlled areas. The United Nations levied sanctions on UNITA via UNSC Resolutions 1173 and 1176, and commissioned a report by a “Panel of Experts,” the first of its kind, to independently monitor the situation on the ground. Then Canadian Ambassador to the United Nations Robert Fowler pioneered the “Panel of Experts” idea, and in 2000 the panel’s first report, colloquially known as the “Fowler Report,” was released. The report detailed how UNITA worked with international companies and African and European governments to violate and circumvent U.N. sanctions, and highlighted the clear link between the illicit diamond trade and the protracted nature of the Angolan civil war. By making these striking findings public, the report forced the United Nations to recognize that its sanctions were not being well implemented by member states (often for political reasons), and to improve its sanctions on Angola. This independent “Panel of Experts” model exposed the international actors who were allowing UNITA to continue using blood diamonds to fund their war effort, forcing those actors to change their behavior. The model has been utilized for many subsequent U.N. sanctions programs to monitor developments and possible sanctions evasion.

The U.S. government has historically attempted to employ a strategy of multilateralizing sanctions; however, the number of unilateral sanctions actions has risen under the Trump administration. U.S. sanctions programs became increasingly targeted, particularly against Iran, during the administrations of Presidents George W. Bush and Barack Obama. In 2017, President Donald J. Trump signed Executive Order (E.O.) 13818, which declared a national emergency with respect to serious human rights abuses and global corruption. The measures set forth in this executive order, commonly referred to as Global Magnitsky sanctions, allow the United States to levy financial and travel sanctions against human rights abusers and corrupt current or former government officials and their associates anywhere in the world, giving the United States unique flexibility to implement targeted sanctions against illicit actors. The United States has already used the authority on more than 100 targets since December 2017.<sup>5</sup>

## The Foreign Policy Toolbox

A country’s foreign policy generally consists of strategies designed to safeguard national interests and achieve security goals, such as preventing conflict, promoting peace and security, defending human rights, and fighting terrorism. These strategies are generally combinations of tools, including diplomacy, foreign aid, and military force, and can be implemented unilaterally, bilaterally, or multilaterally. Most of the sanctions experts The Sentry spoke to argued that when the choice has been made to use sanctions as part of a strategy to achieve a goal, it is almost always best to ensure they are multilateral, and, in particular, supported by the United Nations. Foreign policy strategies often feature a combination of carrots and

---

**Sanctions can act as both economic disincentives and a form of public shaming, and can function as a stick when levied and a carrot when lifted.**

---





sticks, such as positive and/or negative public messaging, diplomatic engagement, financial and economic incentives and disincentives, military posturing, military aid, and humanitarian assistance. The United States, European Union, and United Nations have used a wide variety of these tools for strategic policy purposes in Africa. Sanctions can act as both economic disincentives and a form of public shaming, and can function as a stick when levied and a carrot when lifted.

## Types of Sanctions

Different types of economic sanctions have been used in response to varied situations in Africa. Economic sanctions can be comprehensive, affecting a country's entire economy, or they can be targeted, effectively blocking financial transactions of and with—and sometimes the travel of—specific individuals and entities. Targeted sanctions can also be levied against a specific section of a country's economy, like the precious metal trade, and are referred to as sectoral sanctions. The United States has used both comprehensive and targeted sanctions in Africa, although comprehensive sanctions are generally no longer favored, as many observers perceive that they unfairly impact innocent civilians and even hamper humanitarian aid. Research has suggested that targeted sanctions may be more effective than comprehensive sanctions, as they are more likely to impact individuals directly, rather than the general public, and thus prompt behavior change.<sup>6</sup> U.N. sanctions generally take the form of asset freezes, travel bans, and arms embargoes. In many cases, the European Union essentially replicates sanctions enacted by the United Nations, as its member states are obligated to implement sanctions imposed by the world body since they are also U.N. members. However, the European Union also imposes its own targeted economic sanctions outside of the U.N. framework. Additionally, the African Union and the Economic Community of West African States (ECOWAS) have imposed their own sanctions on the continent, and individual African governments impose targeted sanctions as well.

## What Is the Process?

The UNSC has the authority and responsibility to respond to global threats by implementing sanctions according to Chapter VII of the U.N. Charter, which states “a threat to the peace, breach of the peace or act of aggression” may trigger coercive measures like sanctions. All sanctions must pass the UNSC with a majority vote and without a veto, a stipulation that has hampered some sanctions efforts in the past. Russia and China, for example, have vetoed several resolutions calling for sanctions they consider political, inappropriate, or premature.<sup>7</sup> Each U.N. sanctions program is usually managed by a special committee and a monitoring group. The United Nations has no means of enforcing sanctions, however, and so enforcement falls to individual member states.

---

**The United Nations has no means of enforcing sanctions, so enforcement falls to individual member states.**

---

U.N. sanctions were first imposed in Southern Rhodesia and South Africa, and are currently imposed in seven countries in Africa: the Central African Republic (CAR), Democratic Republic of Congo (Congo), Guinea-Bissau, Mali, Somalia, South Sudan, and Sudan. According to a 2015 study of U.N. sanctions imposed between 1991 and 2013, “most UNSC sanctions are imposed in Africa: 43 (68 per cent) of the 63 UNSC sanctions... were applied against African states.



Only 20 episodes (32 per cent) of UN sanctions during the period... dealt with non-African states or with terrorist groups.<sup>8</sup> Additionally, the study found that U.N. sanctions in Africa are most often in response to a civil war of some kind. Outside of Africa, most U.N. sanctions were implemented in response to nuclear proliferation and counterterrorism.<sup>9</sup>

The European Union works to implement all U.N. sanctions, and also has the ability to impose autonomous sanctions in line with the stated objectives of the European Union's Common Foreign and Security Policy. According to its sanctions policy, the European Union imposes sanctions "to uphold respect for human rights, democracy, the rule of law and good governance."<sup>10</sup> The European Union currently implements "restrictive measures," or sanctions, against 26 countries around the world. These measures include arms embargoes, trade restrictions, financial restrictions, and travel and visa bans. As with the UNSC, EU member states must unanimously agree on sanctions. Member states may also impose their own individual sanctions programs without EU approval. In Africa, there are EU sanctions imposed in Burundi, CAR, Congo, Eritrea, Guinea, Guinea-Bissau, Mali, Somalia, South Sudan, Sudan, and Zimbabwe.<sup>11</sup>

---

**The United States' sanctions process is more complex than those of the United Nations and European Union, and involves several different parts of government and their respective authorities.**

---

In the United States, sanctions can include economic embargoes, asset freezes, and visa bans. The U.S. sanctions process is more complex than those of the United Nations and European Union, and involves several different parts of government and their respective authorities. OFAC administers and enforces economic and trade sanctions against targeted entities. These sanctions are usually carried out through presidential national emergency powers, such as the International Emergency Economic Powers Act (IEEPA), through Congressional legislation, or through U.N. or other multilateral or bilateral mandates. Once the president declares a national emergency or Congress passes legislation ordering sanctions, OFAC works to implement the sanctions in coordination with the Departments of State and Justice, and with support from the intelligence community

and the Department of Commerce (and sometimes the Department of Homeland Security) to deconflict interagency equities or amplify the impact of a sanctions action. In Africa, the United States currently has sanctions programs for Burundi, CAR, Congo, Somalia, South Sudan, Sudan, and Zimbabwe. There are also U.S. sanctions programs that apply transnationally and impose sanctions against persons in Africa, such as Global Magnitsky sanctions, and E.O. 13224, which is commonly referred to as the Specially Designated Global Terrorist executive order targeting terrorists and their supporters.

The State Department is responsible for issuing and implementing visa bans. For example, the department has issued visa bans against several senior Congolese officials for corruption and antidemocratic interference with Congo's 2018 election process.<sup>12</sup> The State Department is also able to designate a group as a Foreign Terrorist Organization (FTO) or label a country a State Sponsor of Terrorism (SST), both of which have sanctions implications. For example, the State Department added Sudan to the SST list in 1993, resulting in restrictions on U.S. foreign assistance to Sudan, a ban on defense exports and weapons sales, controls on dual use items, and other financial restrictions.<sup>13</sup>



## Compliance and Enforcement

OFAC maintains a public listing of sanctioned entities called the Specially Designated Nationals and Blocked Persons (SDN) list. The United Nations and European Union maintain similar lists. The Treasury Department stipulates that “all persons and entities within the United States” must comply with OFAC regulations. The United States also implements “secondary” sanctions—for example, on third-party companies and banks

doing business with Iran or North Korea—designed to extend jurisdiction beyond U.S. borders. All U.N. member states are required to comply with and enforce U.N. sanctions. For example, if the United Nations imposes a travel ban on an individual, member states are supposed to work to ensure that individual does not travel to their country. Additionally, the United Nations can authorize a Panel of Experts to monitor and investigate sanctions compliance. The reports produced by panels of experts in the past have shed light on violations of U.N. sanctions around the world and often inform the U.N. committees responsible for maintaining sanctions programs, adding additional sanctions, and advising on enforcement. In the European Union, member states are responsible for enforcing sanctions at the national level, and sanctions apply within the territorial jurisdiction of the European Union, to EU nationals around the world, and to organizations incorporated under the law of a member state, including branches of EU companies in third countries.

After the United States, European Union, or United Nations announce financial sanctions, international banks work to ensure they are not providing to the sanctioned individual or entity any financial services prohibited by the laws of the jurisdictions in which they operate. While banks are not required by regulatory authorities to use specific compliance technology or processes in their monitoring and reporting programs, the U.S. government does

provide comprehensive guidance on complying with sanctions.<sup>14</sup> There is also a large compliance industry in place that sells sanctions compliance software to banks. This software usually involves advanced computer programs that use the data from the SDN list, and any other data available to the bank, to minimize risk to the bank. Banks in the United States and Europe are increasingly creating their own in-house financial intelligence units to conduct illicit finance investigations and provide internal risk analysis.



### ALPHABETICAL LISTING OF SPECIALLY DESIGNATED NATIONALS AND BLOCKED PERSONS (“SDN List”):

This publication of Treasury’s Office of Foreign Assets Control (“OFAC”) is designed as a reference tool providing actual notice of actions by OFAC with respect to Specially Designated Nationals and other persons (which term includes both individuals and entities) whose property is blocked, to assist the public in complying with the various sanctions programs administered by OFAC. The latest changes to the SDN List may appear here prior to their publication in the Federal Register, and it is intended that users rely on changes indicated in this document. Such changes reflect official actions of OFAC, and will be reflected as soon as practicable in the Federal Register under the index heading “Foreign Assets Control.” New Federal Register notices with regard to Specially Designated Nationals or blocked persons may be published at any time. Users are advised to check the Federal Register and this electronic publication routinely for additional names or other changes to the SDN List.

2ND ACADEMY OF NATURAL SCIENCES (a.k.a. ACADEMY OF NATURAL SCIENCES; a.k.a. CHAYON KWAHAK-WON; a.k.a. CHE 2 CHAYON KWAHAK-WON; a.k.a. KUKPANG KWAHAK-WON; a.k.a. NATIONAL DEFENSE ACADEMY; a.k.a. SANSRI; a.k.a. SECOND ACADEMY OF NATURAL SCIENCES; a.k.a. SECOND ACADEMY OF NATURAL SCIENCES RESEARCH INSTITUTE), Pyongyang, Korea, North; Secondary sanctions (i.e., North Korea Sanctions Regulations, sections 510.201 and 510.210 [NPWMD]).

30 LOGISTIK VE HAVACLIK HIZMETLARI LTD., No. 31152 Atlatipog Bagdat Cad. Iktisadiye Yolu Sok., Istanbul 34840, Turkey; Additional Sanctions Information - Subject to Secondary Sanctions [SDGT] [FSR] (Linked To: MAHAN AIR).

7 KARNES, Avenida Ciudad de Cali No. 15A-91, Local 1A06-07, Bogotá, Colombia; Mercaderes Mercado No. 1978073 (Colombia) [SDNTK].

7TH OF TIR (a.k.a. 7TH OF TIR COMPLEX; a.k.a. 7TH OF TIR INDUSTRIAL COMPLEX;

a.k.a. 7TH OF TIR INDUSTRIES; a.k.a. 7TH OF TIR INDUSTRIES OF ISFAHAN/ESFAHAN; a.k.a. MOJTAMAE SANATE HAFTOME TIR; a.k.a. SANAYE HAFTOME TIR; a.k.a. SEVENTH OF TIR), Mobarakeh Road Km 45, Isfahan, Iran; P.O. Box 81465-478, Isfahan, Iran; Additional Sanctions Information - Subject to Secondary Sanctions [NPWMD] [FSR].

7TH OF TIR COMPLEX (a.k.a. 7TH OF TIR; a.k.a. 7TH OF TIR INDUSTRIAL COMPLEX; a.k.a. 7TH OF TIR INDUSTRIES; a.k.a. 7TH OF TIR INDUSTRIES OF ISFAHAN/ESFAHAN; a.k.a. MOJTAMAE SANATE HAFTOME TIR; a.k.a. SANAYE HAFTOME TIR; a.k.a. SEVENTH OF TIR), Mobarakeh Road Km 45, Isfahan, Iran; P.O. Box 81465-478, Isfahan, Iran; Additional Sanctions Information - Subject to Secondary Sanctions [NPWMD] [FSR].

7TH OF TIR INDUSTRIAL COMPLEX (a.k.a. 7TH OF TIR; a.k.a. 7TH OF TIR COMPLEX; a.k.a. 7TH OF TIR INDUSTRIES; a.k.a. 7TH OF TIR INDUSTRIES OF ISFAHAN/ESFAHAN; a.k.a. MOJTAMAE SANATE HAFTOME TIR; a.k.a. SANAYE HAFTOME TIR; a.k.a. SEVENTH OF TIR), Mobarakeh Road Km 45, Isfahan, Iran; P.O. Box 81465-478, Isfahan, Iran; Additional Sanctions Information - Subject to Secondary Sanctions [NPWMD] [FSR].

8TH IMAM INDUSTRIES GROUP (a.k.a. CRUISE MISSILE INDUSTRY GROUP; a.k.a. CRUISE SYSTEMS INDUSTRY GROUP; a.k.a. NAVAL DEFENSE MISSILE INDUSTRY GROUP; a.k.a. SAMEN AL-REMMEH INDUSTRIES GROUP), Tehran, Iran; Additional Sanctions Information - Subject to Secondary Sanctions [NPWMD] [FSR].

14 STAR SHIPPING MANAGEMENT (a.k.a. FOURTEEN STAR SHIPPING MANAGEMENT; a.k.a. “FOURTEEN STARS”), United Arab Emirates [SDGT] (Linked To: MEHDI GROUP).

32 COUNTY SOVEREIGNTY COMMITTEE (a.k.a. 32 COUNTY SOVEREIGNTY MOVEMENT; a.k.a. IRISH REPUBLICAN PRISONERS WELFARE ASSOCIATION; a.k.a. REAL IRA; a.k.a. REAL IRISH REPUBLICAN ARMY; a.k.a. REAL OGLAIGH NA HEIREANN; a.k.a. RIRA) [FTO] [SDGT].

32 COUNTY SOVEREIGNTY MOVEMENT (a.k.a. 32 COUNTY SOVEREIGNTY COMMITTEE; a.k.a. IRISH REPUBLICAN PRISONERS WELFARE ASSOCIATION; a.k.a. REAL IRA; a.k.a. REAL IRISH REPUBLICAN ARMY; a.k.a. REAL OGLAIGH NA HEIREANN; a.k.a. RIRA) [FTO] [SDGT].

33RD LIGHT INFANTRY DIVISION OF THE BURMES ARMY, Sagaing, Burma [GLOMAG].

99TH LIGHT INFANTRY DIVISION OF THE BURMES ARMY, Meiktila, Burma [GLOMAG].

101 DAYS CAMPAIGN (a.k.a. CHARITY COALITION; a.k.a. COALITION OF GOOD; a.k.a. ETEFAF AL-KHAIR; a.k.a. ETILAF EL-KHAIR; a.k.a. ITILAF AL-KHAIR; a.k.a. ITILAF AL-KHAYR; a.k.a. UNION OF GOOD), P.O. Box 136301, Jeddah 21313, Saudi Arabia [SDGT].

2005 PSA HOLDINGS LLC, 80 SW 8th Street Suite 2000, Miami, FL 33130, United States; Tax ID No. 80-0890666 (United States) [SDNTK].

1425 BRICKELL AVE 63-F, LLC, 1425 Brickell Ave 63-F, Miami, FL 33131, United States; Tax ID No. 71-1053365 (United States) [SDNTK].

1425 BRICKELL AVE ENUE 64E LLC, 1425 Brickell Ave enue 64 E, Miami, FL 33131, United States; Tax ID No. 90-1019707 (United States) [SDNTK].

1425 BRICKELL AVE ENUE UNIT 46B, LLC, 1425 Brickell Ave enue Unit 46 B, Miami, FL 33131,



When a bank is found to be violating U.S. sanctions and knowingly facilitating financial transactions for sanctioned entities, it can be fined. The number of fines imposed against international banks has increased dramatically in recent years. In fact, U.S. regulators have fined financial institutions at least \$28.4 billion for money-laundering and sanctions violations since 2008.<sup>15</sup> In 2014, BNP Paribas paid the largest fine ever imposed for violating U.S. sanctions, at \$8.9 billion.<sup>16</sup> U.S. citizens who violate sanctions can be subject to criminal penalties such as fines or prison time. OFAC can also issue cautionary and warning letters to sanctions violators, depending on the severity of the violations. If a violation was inadvertent and self-disclosed, for example, the outcome may be less harsh than if it was an intentional violation.<sup>17</sup>

There is a process through which OFAC authorizes entities to conduct transactions that would otherwise be prohibited by sanctions. Companies, for instance, can apply for an OFAC license that allows them to make transactions that would normally constitute a sanctions violation. A company could apply for an OFAC license to sell a particular product to an entity under sanctions—this type of license would be considered a “specific” license. A “general” license authorizes a type of transaction for a class of persons without the need to apply for a license. OFAC has issued several general licenses in Sudan covering medicine, medical devices, and agricultural equipment. In Myanmar, OFAC issued general licenses in 2015 that were designed to promote American businesses to invest in the country before the sanctions were lifted. These licenses allowed U.S. businesses to pay rent, conduct basic trade, transport goods, and use specific Burmese banks.<sup>18</sup> In addition, the U.S. government initiated the Burma Responsible Investment Reporting Requirements, requiring U.S. persons to report policies and procedures to the State Department with respect to their investments in Myanmar, including human rights, labor rights, environmental protection, anticorruption, risk assessments, payments to the government, and contact with military or other armed groups, among other requirements.<sup>19</sup>

Enforcement of U.N. sanctions on African countries is notoriously weak. In fact, U.N. member states often vote for sanctions for human rights abusers to shore up their own international reputations without any intention of enforcing them. A lack of political will is probably the largest cause of sanctions enforcement failure, a point emphasized by many experts The Sentry interviewed. Former Ambassador Fowler told The Sentry, “The key to effectiveness for any and all sanctions is political will. If people mean what they say, sanctions will work. If they don’t, they won’t. This is at the root of all implementation challenges. Banks know if a government is serious or not and will allow sanctions-busting.”<sup>20</sup> Porous borders and inadequate customs controls also frustrate sanctions enforcement in many countries in Africa. Several senior compliance managers from large international banks cited the same major challenges: little to no government capacity to enforce sanctions; poor local and regional banking infrastructure; and increasingly complicated sanctions programs.

---

**Enforcement of U.N. sanctions on African countries is notoriously weak.**

---

For many African countries that are working to establish basic banking oversight and financial controls, sanctions compliance is often a bridge too far. In countries where senior government officials engage in blatant illicit finance activities, such as Sudan and Congo, there is an absence of any meaningful political will, as government officials actually benefit from low enforcement capacity. In Zimbabwe, banks face a unique predicament. According to one sanctions compliance expert The Sentry spoke to, the government of Zimbabwe considers U.S. sanctions to be illegal, presenting a difficult situation for international banks with



branches in the country. Do they risk losing their banking license, risk a fine by U.S. regulators, or just close the bank branch?

Many local banks and even branches of major international banks operating in Africa are still using paper filing systems, making information-gathering for sanctions compliance very difficult. Clients are often reticent to provide additional personal information that would help banks meet know-your-customer and due diligence requirements, or they do not do so quickly because banks are so far away from them. Local branches also struggle to recruit staff with compliance experience or training. Because of this, international banks with branches or subsidiaries in Africa spend a great deal of time training local staff to develop stronger compliance programs. With paper files, an uncooperative or dispersed clientele, and untrained staff, implementing a robust compliance program at a local bank is incredibly difficult.

## De-risking/Unintended Effects of Sanctions

Tens of thousands of individuals, businesses, and organizations appear on U.S., U.N., and EU sanctions lists. Compliance managers at financial institutions generally consider list-based sanctions programs to be relatively easy to implement; software exists to run these names, even with spelling variants, against customer lists and transaction details. OFAC is now able to add names in other script besides the Latin alphabet, which is useful for banks in screening.<sup>21</sup> List-based screening can still be challenging when names are transliterated, identities can be mistaken, and identifying information for some entities is limited.<sup>22</sup> However, for obvious reasons, most sanctioned entities avoid doing business in their own names, and instead employ family members or associates to carry out transactions on their behalf. Because of this, most large international banks screen beyond the official U.S., EU, and U.N. lists; banks conduct “enhanced” due diligence to ensure they aren’t banking businesses that are majority owned by sanctioned entities and do their own extensive research to mitigate risk.

In Africa, local banks and businesses without a U.S. presence are not required to implement U.S. sanctions because these entities are outside of the jurisdiction for U.S. law. Local banks in Africa are often required to implement stronger compliance processes in order to maintain U.S. dollar clearing accounts with international banks with higher due diligence standards. These standards likely include compliance with not only U.N. sanctions, but also U.S. and EU sanctions.

---

**Banks conduct “enhanced” due diligence to ensure they aren’t banking businesses that are majority owned by sanctioned entities and do their own extensive research to mitigate risk.**

---

This is one likely cause of the global phenomenon referred to as “de-risking,” where financial institutions make a business decision to cease operations in a country or region due to high levels of risk exposure, making it difficult for individuals and businesses in these places to obtain U.S. dollars and access the international financial system. This can essentially cut entire regions off from the formal financial system.

Sanctions compliance majorly affects the decisions banks make in this realm. For example, if the United States designates five senior military officers in a country, international banks operating there will weigh the increased risk of doing business in that country against their current profits, as well as how widely their services are used there, and decide to either continue doing business or “de-risk” and leave. While five





individuals may not seem like a lot, in some African countries with strong informal economies, the majority of the population remains unbanked; in these situations, it is generally elites who have bank accounts. Several African countries have experienced de-risking, as have countries in Central America and the Caribbean. According to the International Monetary Fund (IMF), Sudan lost 50 percent of its correspondent banking relationships between 2012 and 2015.<sup>23</sup>

The termination of U.S. dollar clearing relationships in a country means that everyone living there will be affected, not just those targeted by sanctions. At its most extreme, de-risking can cause humanitarian crises. Humanitarian organizations rely on the international financial system, and without access to this system at the local level, it can be very difficult to distribute aid. This happened in Somalia, a country that has suffered from dramatic de-risking. Even remittance companies struggle to send money there, leading many to take extraordinary risks and carry cash around the world to get money to its intended recipients.

What can be done about de-risking? The Financial Action Task Force (FATF), a global anti-money laundering advisory body, encourages financial institutions to take a risk-based approach, rather than carrying out blanket closures in higher-risk areas. In reality, though, banks are so cautious and risk averse that the FATF recommends countries in danger of being “de-risked” attempt to impose strong anti-money laundering and sanctions compliance regimes, which can help reduce much of the perceived risk. Several of the sanctions experts interviewed by The Sentry suggested that designers of sanctions programs should strive to be as precise as possible in administering targeted sanctions programs and work to provide detailed guidance to financial institutions. Samantha Sheen, a financial regulatory expert, explained that “sometimes the costs of vetting become too great [for banks] and they can’t pass those costs on to their customers. They aren’t trying to be inhumane; they often cannot get clear information from regulators [supervisors who enforce compliance with sanctions restrictions]. Locally, the banks often only get names and no addresses, making it incredibly hard to target the right people.”<sup>24</sup> The IMF has also reported that communication between banks needs improvement, and in some instances the communication between respondent bank and correspondent bank is incredibly opaque.<sup>25</sup> Improved information sharing between banks could limit de-risking. In interviews, experts urged regulators at the Treasury Department to consider conducting direct engagement with banks to build confidence in the sanctions implementation process. Richard Nephew, a former National Security Council and State Department official responsible for sanctions, argued that the U.S. government announces sanctions, but then does no integration work with companies, banks, and other governments so that they understand the sanctions process and the context behind the action. He added that the United States should encourage banks and businesses to share information on nefarious actors when they encounter them.<sup>26</sup>























































## Do Sanctions Work?


Academic researchers have grappled with measuring sanctions effectiveness for decades. For this project, The Sentry focused on seven countries with economic sanctions programs: Liberia, Zimbabwe, Burundi, South Sudan, Sudan, CAR, and Congo. Even within each of these sanctions programs, there are examples of both successes and failures.


### Types of sanctions on case study countries


This chart shows the different types of sanctions currently implemented by the EU, U.N., and United States in the seven countries The Sentry analyzed. This shows the diverse nature of sanctions imposed by the international community over the last two decades.


	European Union	United Nations	United States
Democratic Republic of Congo	   	   	  
Central African Republic	   	   	  
Sudan	  	  	  
South Sudan	  	  	  
Liberia	_____	_____	_____
Burundi	  	_____	 
Zimbabwe	   	_____	 


 Asset freeze

 Arms embargo

 Travel restrictions

 Prohibition to satisfy claim

 Blocked property

 Restrictions on equipment used for internal repression

Every expert The Sentry spoke to for this project agreed that sanctions should be used in concert with other carefully calibrated tools—such as diplomacy or military force—in order to achieve a foreign policy goal. Sanctions should almost never be implemented on their own, and will likely not be effective if they are. According to David Cohen, former Deputy Director of the Central Intelligence Agency (CIA) and former Under Secretary of the Treasury for Terrorism and Financial Intelligence, “Sanctions cannot be the only action you’re



taking. You need a whole of government approach; you need, for example, diplomacy, aid, overt messaging, possibly covert messaging and other covert action, military signaling, and trade actions.”<sup>27</sup>

The Sentry recommends that sanctions architects consider the following four factors when designing sanctions: 1) Sanctions are most effective when imposed multilaterally; 2) sanctions must be attached **to a clearly articulated policy goal**; 3) **a well-defined exit strategy must be included from the outset**; and 4) sanctions must be maintained, updated, and adjusted as needed to remain effective.

On this first point, multilateral sanctions, when enforced properly, have the benefit of being more widely imposed and thus more applicable than unilateral sanctions. Every U.N. member state, for example, is responsible for U.N. sanctions enforcement. While the enforcement records of U.N. member states are inconsistent at best, the message a U.N. sanction sends is much stronger than a unilateral one: the whole world disapproves of your conduct. Former Ambassador Fowler explained in an interview with The Sentry, “Multilateral sanctions have an advantage. UN sanctions resolutions are usually very, very clear about what outcomes they want to see. Those are the metrics. Unilateral sanctions are usually not very clear. UNSC decisions have the force of law if you are a UN member.”<sup>28</sup>

A clearly articulated policy goal sounds like common sense. However, many of the experts The Sentry interviewed said they see sanctions, particularly unilateral ones, being used as the policy itself, rather than as a tool to achieve a particular policy goal.<sup>29</sup> Once that goal is met, however, the sanctions should be lifted; this does not always happen, serving to decrease sanctions’ incentivizing power and legitimacy. In many cases, sanctions programs do not appear to have a built-in exit strategy; this likely stems from the fact that a specific policy goal was not articulated at the outset of the program. However, it is not always easy to determine when sanctions should be lifted, even if a certain policy goal has been achieved. For example, if a sanctions program is put in place against a dictator, and accompanying diplomatic statements demand he stop killing his people, what is the strategy when he finally does? Should sanctions be removed, even if instead of killing civilians he is now embezzling funds from state coffers?

Even if a clear policy goal is articulated, it is important to keep in mind that policy goals can shift, especially as sanctions programs age. When a sanctions program is first implemented, the policy goal may be clear, but after a decade passes, the policy may need to be modified, and the sanctions along with it. In an interview with The Sentry, former State Department and National Security Council official David Mortlock stressed the importance of sanctions maintenance: “You cannot put sanctions on autopilot. They must be constantly updated.”<sup>30</sup> In order for sanctions to be maintained, updated, and adjusted in a way that makes them more effective, each sanctions program needs appropriate levels of staffing, accurate intelligence, and senior-level support. Several current and former Treasury and State Department officials lamented the fact that Africa sanctions programs are notorious for having very few staff members assigned to them. There are whole teams of officers assigned to Iran, North Korea, and Russia programs, but Africa programs have a minuscule staff; many of the existing Africa sanctions programs do not have a single full-time person assigned to manage them.<sup>31</sup> In a 2019 op-ed, Joshua White, Director of Policy and Analysis at The Sentry and former OFAC Section Chief responsible for Africa sanctions designations, argued for additional resources to be allocated to his former office, specifically for Africa programs, stating, “The most egregious shortfalls [in OFAC’s resources] are connected to sanctions programs meant to address human rights and conflict, particularly in East and Central Africa.”<sup>32</sup> According to Jennifer Fowler, a former senior Treasury official now





with the Brunswick Group, “Historically, there hasn’t been as much senior policy oversight on Africa sanctions issues as there is on other issues. This can lead to things being accomplished faster without senior policy oversight, but it may also lead to less impact, less follow-up, and less of an overall strategy.”<sup>33</sup>

African countries historically have not been a top collection priority for the U.S. intelligence community as compared to other parts of the world. As a result, the collection of information to support sanctions is often incidental or heavily dependent on cables written by embassy staff in African countries. In some cases where sanctions have been levied, obtaining information was difficult for the U.S. government, making it nearly impossible to judge if a sanctions action had any impact, and preventing additional sanctions packages from being developed.<sup>34</sup> Mr. Cohen explained it this way: “For successful sanctions implementation, you need good intelligence: you need to understand the target, and you need to monitor them to understand if the sanctions are effective.”<sup>35</sup>

## Delisting: The Exit Strategy

One common criticism of sanctions programs is confusion over the criteria for delisting. When sanctions are announced, there is no accompanying checklist for behavior changes that will lead to the removal of the sanction and “delisting” of the individual or entity. An individual or entity can petition OFAC for removal by demonstrating to OFAC that their circumstances have changed or by proving that OFAC made a mistake. Specifically, a designated entity or someone on behalf of a designated entity can write to OFAC and demonstrate a positive behavior change; argue that the basis for the designation no longer exists or that the designation was based on mistaken identity; or report that the designated entity has died.<sup>36</sup> OFAC goes to great lengths to ensure each designation will hold up in court, and thus mistakes are incredibly rare.<sup>37</sup> But how does a sanctioned individual or entity prove it should no longer be sanctioned? Many sanctions experts The Sentry interviewed suggested that each initial sanctions designation be accompanied by a roadmap for delisting. This is not just to decrease confusion for those listed; providing criteria for delisting may actually improve the effectiveness of sanctions.

---

**Providing criteria for delisting may actually improve the effectiveness of sanctions.**

---

A delisting roadmap could be a public statement or an internal strategy document (so as not to limit options as circumstances change), but the idea is the same: a set of conditions the designated entity must meet in order for delisting to be considered. Diplomatic engagement and public messaging also have a strong role to play here. Avril Haines, former White House Deputy National Security Advisor and Deputy Director of the CIA under President Obama, told The Sentry: “Internally, we should do that for every sanction that we put forward. Unless we can lift sanctions when the sanctioned activity has stopped, we offer no real incentive to those who are sanctioned to change their behavior and thus undercut the policy purpose of instituting them in the first place.”<sup>38</sup> A public roadmap to delisting has the added benefit of delegitimizing countermessaging: regimes under sanctions often complain that sanctions are politically motivated, but a public roadmap of how an individual could be delisted would nullify their complaints. Sanctions researcher Edoardo Saravalle has similar views on delisting criteria and the need to develop delisting strategies at the outset: “If Congress and the president focus on the entire life cycle of sanctions rather than just their imposition, they will improve the effectiveness of individual programs and ensure that sanctions stay relevant as a foreign policy tool.”<sup>39</sup>



In addition, the press release that accompanies an OFAC designation is often used to justify the designation and usually describes the entity in the worst light possible. According to Peter Kucik, a former senior OFAC official, “When sanctions are first imposed, anything and everything negative about the target is often added into the press release. If you have the U.S. government outline how a person or company is irredeemably the worst in the world, how will that same government ever be able to explain or justify removal of those sanctions?”<sup>40</sup> Other current and former Treasury officials explained to The Sentry that it is not OFAC’s area of expertise to develop a roadmap for delisting—OFAC’s actions are designed to apply pressure.<sup>41</sup> In recent months, OFAC has also made a habit of including language in the press release about how sanctions “need not be permanent,” even giving examples of successful delistings within the press release language.<sup>42</sup>

## Symbolic Sanctions

Sanctions are designed to make it hard for bad actors to continue their activities by limiting their access to the formal financial system. According to Mr. Szubin, “For those targets who seek to operate in the legitimate international financial system, sanctions can deliver a massive blow, as conscientious people and institutions will often shun them and their business.”<sup>43</sup> There are two schools of thought when it comes to sanctioning targets who do not have any ties to the international financial system. Some experts argue that sanctions are not the policy tool to use if the sanction will not actually result in bank account freezes. Mr. Cohen told The Sentry, “You need a surface area of attack. If you don’t have something that is exposed to the U.S. financial system, the weapon will miss the target, and not have any impact.”<sup>44</sup> The Treasury Department’s

---

**When they are enforced, travel bans cease to be symbolic and are taken very seriously by designated individuals.**

---

current Under Secretary for Terrorism and Financial Intelligence, Sigal Mandelker, told The Sentry, “While we have seen some effectiveness with purely symbolic sanctions, a symbolic designation by itself without a larger strategy or follow-up action does not stop the suffering of a population, and its effectiveness is limited.”<sup>45</sup>

Other experts argue in favor of the symbolism a sanctions designation brings with it. As Ms. Haines explained, “The threat of sanctions can be at least as, if not more, effective than enacting sanctions, particularly when focused on individual behavior.”<sup>46</sup> There is a stigma factor associated with sanctions, and in some circumstances, implementing a sanction is perhaps the most effective tool available at a given time. Adam Finck, Africa Director at the Bridgeway Foundation, explained to The Sentry: “The biggest impact that sanctions have on people who are not very connected to the international financial system and don’t have a lot of interest in travel is to raise the profile of individuals involved and get governments more willing to put resources behind stopping them in other ways.”<sup>47</sup> Travel bans, for example, are not enforced as well as they could be, and could be seen as “symbolic.” However, when they are enforced, travel bans cease to be symbolic and are taken very seriously by designated individuals.

In the case studies below, there are several instances of the United States using “symbolic sanctions” to respond to crises. The studies analyze the effects of these sanctions and show that, indeed, sanctions can be used effectively even when targeted bad actors do not have bank accounts under U.S. jurisdiction.



## Liberia

---



The United Nations' Liberia sanctions program, which began in 2001 and formally ended in 2015, is consistently heralded as a success. It hit all the marks: it was a truly multilateral effort, with strong U.N. action and enforcement by members states; the policy goals of ending violence in Liberia and neighboring Sierra Leone were clear; the sanctions were lifted when behavior changed; and the program was constantly updated and maintained. But it took two decades of tweaking various coercive actions to get the desired effect.

The illegal diamond trade, which funded armed groups and governments that struggled for control of it, caused conflict across several Western African countries for decades between the 1980s and 2000s, including Liberia, Sierra Leone, Côte D'Ivoire, Guinea, Guinea Bissau, and Angola. Diamonds were mined in and smuggled out of war zones and sold to continue financing armed groups. The term "blood diamond" was used to highlight the atrocities caused by the trade and bring global awareness to the violence affecting the region. In 1998, the nongovernmental investigative organization Global Witness published a report on the role of international companies and foreign governments in funding the Angolan civil war through the illegal diamond trade. This report, and former Ambassador Fowler's efforts in the UNSC, prompted the passage of UNSC Resolution 1173 implementing sanctions on the UNITA rebel group for its failure to implement the Lusaka Protocol of 1998, which aimed to end the country's civil war.<sup>48</sup> Shortly after the adoption of Resolution 1173, the UNSC adopted Resolution 1237, which provided the mandate for a "Panel of Experts" to be established to collect information relating to sanctions violations. In 2000, the first report from the panel was published, dubbed the "Fowler Report." The report corroborated and improved upon previous nongovernmental organization (NGO) reporting and found that existing sanctions on arms, oil, and diamonds were being ignored because of the interests of countries like the United States and Russia; the Angolan civil war doubled as a proxy conflict in the waning days of the Cold War. The report detailed exactly how diamonds in particular were being routed out of the country in exchange for weapons.<sup>49</sup> The report sent shock waves around the world, and was a catalyst for the establishment of the Kimberley Process Certification Scheme, which seeks to prevent conflict diamonds from entering the mainstream diamond market.<sup>50</sup>

The Fowler Report also set a precedent for panels of experts to accompany U.N. sanctions programs. Naming and shaming member states who allowed sanctions violations was effective, but also one of the only ways the UNSC was able to "enforce" sanctions.<sup>51</sup> According to Ian Smillie, a former Sierra Leone panel member and diamond expert, the panels "didn't have any real authority, but they were useful for measuring the sanctions on the ground in real time, and for shining light on bad behavior. The crooks were wary of the panel's comings and goings."<sup>52</sup> In the summer of 2000, a new Panel of Experts was established to collect information on



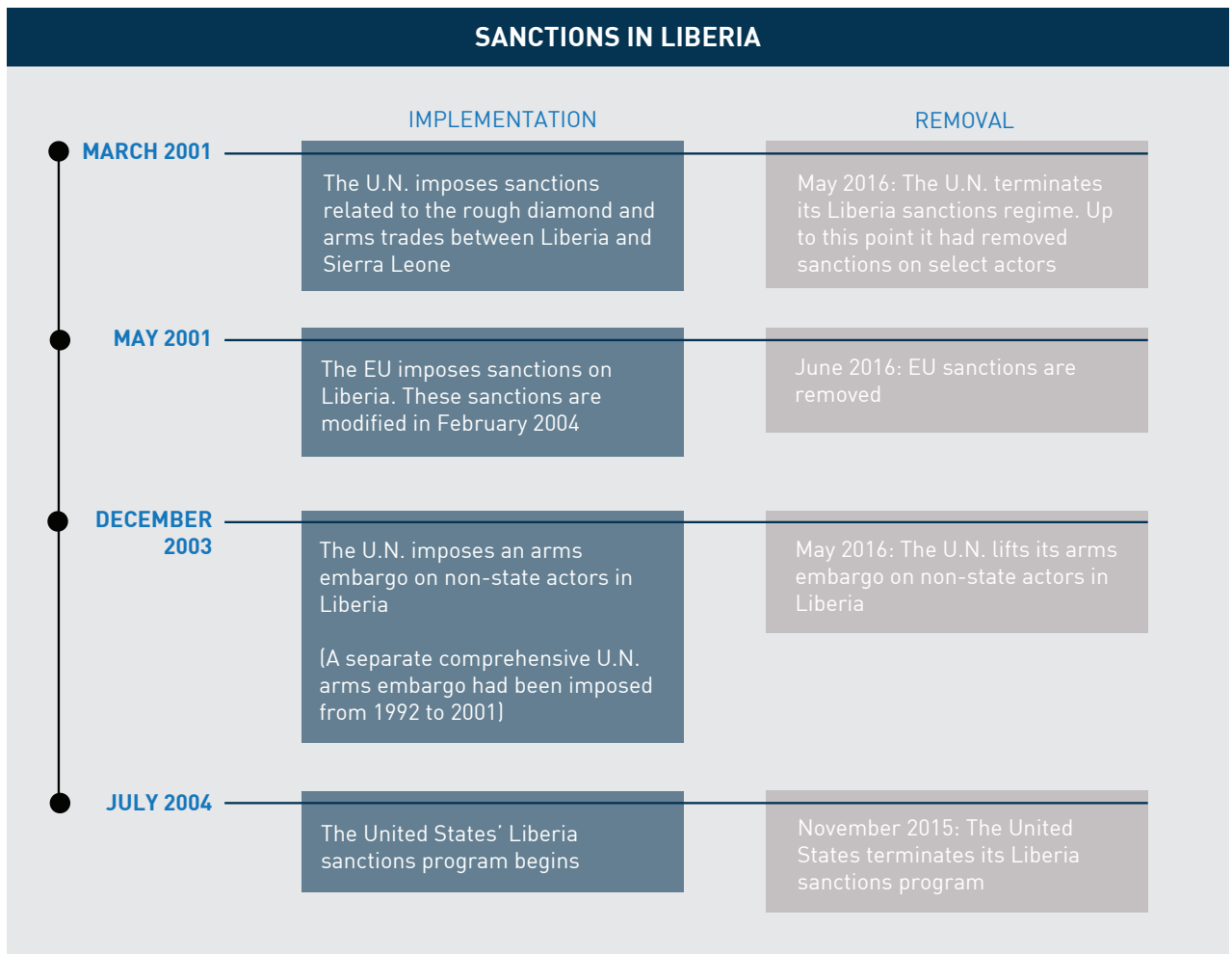
the illegal diamonds and weapons trade in Sierra Leone. It was obvious to those following the civil war in Sierra Leone that even though there was an arms embargo in place against both countries, weapons were coming into Sierra Leone from Liberia.<sup>53</sup> The panel's report stated unequivocally that diamonds had become a primary source of revenue for Sierra Leone's Revolutionary United Front (RUF), a rebel group responsible for atrocities and war crimes and heavily funded by Liberian President Charles Taylor. According to the report, "The bulk of RUF diamonds leave Sierra Leone through Liberia . . . such trade cannot be conducted without the permission and the involvement of Liberian government officials at the highest level."<sup>54</sup> On the weapons trade, the panel found that "President Charles Taylor is actively involved in fueling the violence in Sierra Leone, and many businessmen close to his inner-circle operate on an international scale, sourcing their weaponry mainly in eastern Europe."<sup>55</sup> The report named several international businesses and weapons dealers as complicit actors, and highlighted how the Liberian timber industry was being used for illicit activities, including to fund weapons purchases.<sup>56</sup>

Shortly after the bombshell report was released, the UNSC passed Resolution 1343 imposing a number of sanctions on the Liberian government, including a diamond embargo. The embargo was designed to prohibit the illicit trade of Sierra Leonean diamonds through Liberia. The resolution called for an effective Certificate of Origin program for the diamond trade, as well as travel bans for Liberian senior government and military officials. The resolution also created an additional expert panel to monitor sanctions compliance. The UNSC's demands to President Taylor were clear: expel RUF members from Liberia, cease all official material support for the RUF and prevent support by private citizens, stop importing diamonds from Sierra Leone, and ground all Liberia-registered aircraft operating in Liberia and provide the UNSC with their registration and ownership information.<sup>57</sup> This resolution was historic: it was the first time the UNSC imposed sanctions on a country for violating sanctions on another country. Despite strong messaging from the Taylor government, the Liberian people and civil society groups generally felt the sanctions were having an effect.<sup>58</sup> According to researchers Alex Vines and Tom Cargill, "The Liberia sanctions were at their core designed to shore up the peace process in Sierra Leone and to ensure that Liberia didn't descend back into civil war. The sanctions seemed to work."<sup>59</sup> The war in Sierra Leone ended in 2002, although violence continued in Liberia.

Expert panel reporting continued through 2002, documenting both sanctions compliance and an increase in sanctions violations. Even though the war in Sierra Leone had ended, Liberia continued to experience violence and the Liberian government continued to contribute to the illegal diamond trade. In a 2003 briefing to Congress, head of the Africa Program at NGO Chatham House Alex Vines stated, "By early 2003, following successful elections in Sierra Leone, the original justification of Security Council Resolution 1343 for sanctions on Liberia had been superseded by events on the ground," and that "the effectiveness of the sanctions had also deteriorated over time. Increasingly the Liberian government violated the sanctions imposed on it. . . . The Panel also found its investigations in Liberia became more difficult to carry out. People were less willing to speak to the Panel, and the government became more defiant, obstructive, and hostile to the Panel's work."<sup>60</sup> In May 2003, though, the United Nations adopted yet another resolution, again citing the Liberian government's violation of existing sanctions and its continuation of human rights abuses at home and in neighboring countries. This new resolution, 1478, targeted Liberia's timber industry and doubled down on the weapons trade, threatening a travel ban for whoever violated the arms embargo.<sup>61</sup> The timber sector sanctions are now seen by sanctions experts as having been instrumental to the overall success of the Liberia sanctions program, particularly because of the sector's importance to the country's economy.<sup>62</sup> Then-President George W. Bush hammered home the international community's message to Charles Taylor, publicly stating three



times in 2003 that Taylor should step down.<sup>63</sup> Just four months after Resolution 1478 passed, Taylor went into exile in Nigeria. In a show of support for Taylor’s exit from power, Ghanaian President John Kufuor, South African President Thabo Mbeki, and Mozambican President Joaquim Chissano were present at Taylor’s farewell address, where he announced he was going into exile.<sup>64</sup> His exile conditions required him to stay out of Liberian politics, which he failed to do. After Ellen Johnson-Sirleaf was inaugurated as the new president of Liberia in 2006, she requested Taylor’s extradition, and he eventually stood trial in the Special Court for Sierra Leone. In 2012, he was found guilty of 11 counts of aiding and abetting war crimes and crimes against humanity and sentenced to 50 years in prison.<sup>65</sup>



With Taylor gone, Liberia had a chance to combat the diamond smuggling and illicit timber trade from the top down. Violence in Liberia continued, and the Panel of Experts continued to monitor sanctions compliance, in particular watching previous Taylor regime members.<sup>66</sup> The UNSC passed four additional resolutions in the year following Taylor’s departure, aimed at supporting the new transitional government during that time.<sup>67</sup> It was then that the U.S. government enacted sanctions against Liberia for the first time. Under the authority of the International Emergency Economic Powers Act (IEEPA), and in view of the UNSC resolutions, President Bush signed E.O. 13348 on July 22, 2004.<sup>68</sup> Targeted sanctions were a relatively new tool to the U.S. government and the Bush administration. In addition to the sanctions, President Bush ordered 200





marines to Liberia to aid the peacekeepers and deployed warships along the coast.<sup>69</sup> The executive order was an attempt to help stabilize the new Liberian transitional government by freezing assets of Taylor, senior members of his former regime and the military, and various international arms traffickers and their companies. One of those traffickers was the notorious Viktor Bout, a close friend of Taylor and a prolific arms dealer and money launderer. Four years after his designation under E.O. 13348, Bout was arrested in Thailand based on an INTERPOL Red Notice and extradited to the United States for trial.<sup>70</sup> He was convicted and sentenced to 25 years in prison.<sup>71</sup>

The U.N. Panel of Experts continued its work over the next few years. It revealed the illicit use of the timber industry by arms dealers in even greater depth, which helped Liberian civil society and NGOs continue to pressure their government to regulate the industry. A 2005 report by Global Witness found continued violations of timber sanctions,<sup>72</sup> while the U.N.-affiliated Food and Agricultural Organization (FAO) set up the Liberian Forestry Initiative to support the rehabilitation and reform of the forestry sector. The Sustainable Development Institute (SDI) NGO was established in Liberia to ensure that the benefits of natural resource exploitation are shared equally across communities and that local communities are able to participate in the decision-making processes around natural resource management.<sup>73</sup> Because of these efforts to transform the sector, timber remains one of Liberia's main exports today. According to Dr. Vines and Tom Cargill, assistant head of the Africa Program at Chatham House, "It is unlikely that comprehensive forestry reforms would have occurred without UN sanctions and a proactive UN panel monitoring reform progress. The panel provided regular independent assessments of instances of corruption, sanctions violations, and the threats to peace and the rule of law."<sup>74</sup>

As the Liberian government worked to quell violence around the country and make necessary reforms to keep the peace, the UNSC slowly lifted sanctions as progress was made. In 2009, after significant progress in the timber<sup>75</sup> and diamond industries, the United Nations lifted the sectoral sanctions and continued to closely monitor the situation; with each milestone reached, additional sanctions were lifted over time. Travel bans and asset freezes were lifted on a case-by-case basis, after the Panel of Experts was able to investigate each case to ensure the individuals no longer posed a threat.<sup>76</sup> The United States increased foreign assistance to Liberia to help the government rebuild, and provided millions of dollars in aid and personnel to the Ebola outbreak that affected the region from 2014 to 2015.<sup>77</sup>

On November 12, 2015, the Treasury Department announced the termination of its Liberia sanctions program.<sup>78</sup> In a letter to Congress, then President Obama said, "I have determined that the situation that gave rise to this national emergency has been significantly altered by Liberia's advances to promote democracy and the orderly development of its political, administrative, and economic institutions."<sup>79</sup> In May 2016, the UNSC lifted its last sanctions on Liberia as a show of support for the Liberian government's efforts toward peace. At the time these sanctions were lifted, Liberia had been under some form of U.N. sanction for 24 years. Liberia's representative to the United Nations at the time, Ambassador George S. W. Patten, said that, in retrospect, the sanctions had been constructive, and that "the sanctions regime contributed, in large measure, to stabilization of the country and also stimulated post-conflict economic recovery."<sup>80</sup> With the combination of peacekeeping efforts, diplomacy, and the sanctions programs, the international community's goals were largely met: the war in Sierra Leone was ending, the violence within Liberia was ceasing, and the illicit use of the timber and diamond industries was decreasing.



U.N. and U.S. sanctions effort against Liberia were coupled with effective public messaging from the international community, including through regional leaders, U.N. peacekeeping forces, and international aid. The establishment of panels of experts to monitor the sanctions turned out to be instrumental to their success. These panels were able to get unparalleled access to information in the region, and worked diligently to uncover sanctions evasion and help U.N. policymakers shape the sanctions to be more effective.



## Zimbabwe



The effectiveness of sanctions against Zimbabwe has been assessed repeatedly in academic and policy circles over the years. The consensus among researchers and sanctions experts has been that sanctions imposed against Zimbabwe were not effective in changing the behavior of the elite members of the ruling Zimbabwe African People's Union (ZANU-PF).<sup>81</sup> As Murithi Mutiga of International Crisis Group wrote in 2013: "The [sanctions] measures have neither brought down the Mugabe government nor influenced its behavior. Far from weakening the ruling ZANU-PF party, they have only highlighted what a blunt foreign policy tool sanctions can be."<sup>82</sup> When asked their thoughts on the effectiveness of Zimbabwe sanctions, many of the experts interviewed by The Sentry had similar reactions: heavy sighs and moments of pause. A former

senior OFAC official, Brian O'Toole, told The Sentry, "Zimbabwe is an example of the U.S. government using sanctions as policy, rather than a part of a larger strategy."<sup>83</sup> While there was at least one sign of behavior change on the part of the government of Zimbabwe after the 2008 election, it appears sanctions were ineffective because of poor messaging, inconsistent attention, and little enforcement by the U.S. and EU governments.

U.S. sanctions were intended to pressure the government of Zimbabwe to institute democratic reforms, particularly greater transparency around elections. Western observers characterized the general election held in Zimbabwe in March 2002 as deeply flawed.<sup>84</sup> By this time, President Robert Mugabe had already been in power for 17 years. Human rights groups reported a sharp increase in violence, particularly against opposition groups, both before and after the election.<sup>85</sup> Both the European Union and the United States imposed sanctions against Zimbabwe for political violence and for government efforts to undermine democratic processes and institutions between 2001 and 2003.<sup>86,87</sup> The sanctions included asset freezes and travel bans targeting certain individuals from the ZANU-PF accused of violating human rights and democratic norms.<sup>88</sup> In 2001, U.S. Congress passed the Zimbabwe Democracy and Economic Recovery Act (ZDERA), prohibiting aid to Zimbabwe's central government in an effort "to support the people of Zimbabwe in their struggle to effect peaceful, democratic change, achieve broad-based and equitable economic growth, and restore the rule of law."<sup>89</sup> Interestingly, the United States designated far more individuals and businesses under the Zimbabwe sanctions program than almost any other Africa-related sanctions program. While this did successfully build pressure on the regime, according to former OFAC attorney-advisor and current Managing Director of The Sentry, Brad Brooks-Rubin, the lists of individuals and entities were often drawn up in a manner that did not appear to evince a clearly developed, long-term strategy identifying how the targeting with specific tranches of designations matched policy objectives. Because of this, just when the policy began to work in 2008 and





2009, the United States appeared to pull back—partly because it was not on the same page as the European Union—ensuring there was no chance of gaining multilateral support for UNSC sanctions. This demonstrates the importance of careful and accurate targeting; while uncoordinated targeting may create pressure for change, it will not easily feed into a coherent diplomatic effort that changes behavior.

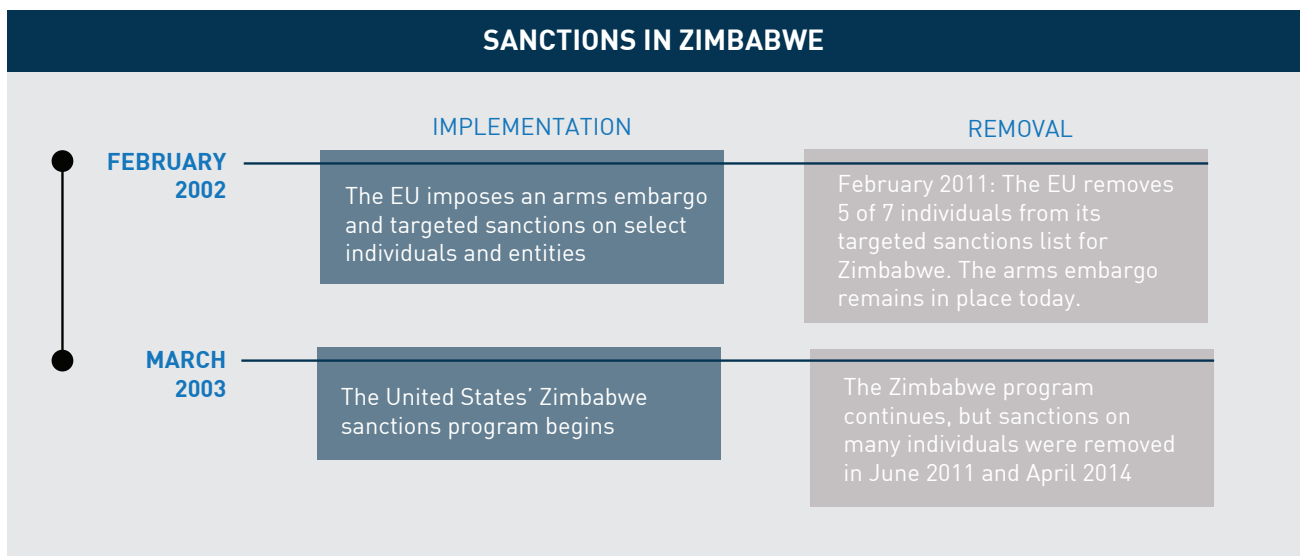
From the beginning, messaging from the European Union and the United States was inconsistent, uncoordinated, and often drowned out by the constant and powerful countermessaging coming from the government of Zimbabwe itself. Zimbabwean officials were incredibly vocal for years about how sanctions levied by Western governments were intended to spark regime change and harm Zimbabwe's economy, and were imposed entirely because of President Mugabe's controversial Marxist-Leninist ideas.<sup>90</sup> The U.S. government has repeatedly denied that the sanctions have anything to do with Marxist-Leninist land reform, and everything to do with human rights violations and election interference. ZANU-PF leaders and President Mugabe used sanctions as justification for promoting anti-American sentiment among the population.<sup>91</sup> President Mugabe's message of meddling, racist Western governments was powerful, and many other African leaders united behind him.<sup>92</sup> This response from surrounding countries demonstrates how important regional buy-in can be for increasing sanctions effectiveness. The United States and European Union struggled to facilitate multilateral agreement on how to respond to human rights violations, violence against opposition groups, and growing economic instability in Zimbabwe. There was little effort but also little hope on the part of the United States and European Union of getting the African Union (AU) to support Western sanctions efforts. According to Mr. O'Toole, "Without a multilateral approach, sanctions programs like Zimbabwe are just not successful. The AU was never supportive of Zimbabwe sanctions."<sup>93</sup> According to Patrick Dzimiri's study of multilateral responses to the Zimbabwe crisis, the African Union's lack of action in Zimbabwe was largely due to timing: the African Union had only been founded in 2002 and did not yet have the capacity to support sanctions. Additionally, Mr. Dzimiri contended "the main drivers behind the AU's founding [Nigerian president Obasanjo, South African president Mbeki, and Libyan president Gaddafi] were all sympathetic to the Mugabe regime... Several African leaders blamed [sanctions] on foreign actors attempting to dislodge Mugabe from power and to punish the regime for its land reform initiatives. The subscribers to this hypothesis lament that the Western imposed sanctions are responsible for the humanitarian strife in Zimbabwe."<sup>94</sup> Economists and sanctions experts have repeatedly analyzed the claim that Western sanctions are responsible for this humanitarian and economic strife, and, generally speaking, have found it to be bogus. Economic mismanagement and systemic corruption have instead been cited as the biggest drivers of Zimbabwe's economic problems.<sup>95,96,97,98</sup> However, the claim is still used in Zimbabwe today to explain away the country's economic woes.

The 2008 elections saw more violence and human rights abuses and another questionable win for Mugabe. Because of continued disregard for democratic processes, the United States imposed additional sanctions targeting the entire government.<sup>99</sup> The European Union also imposed additional sanctions against the government.<sup>100</sup> This time, sanctions were coupled with public pressure by Western leaders for Mugabe to open dialogue with the opposition.<sup>101</sup> According to the European Parliamentary Research Service, Zimbabwe sanctions may have had an effect on the unity government formation after the 2008 election; after holding out for several months, President Mugabe eventually agreed to form a government of national unity that included opposition politicians. According to Martin Russel of the European Parliamentary Research Service, "Though this arrangement did not fully meet the EU's demand for Mugabe to resign, it was at least a step forward. There is evidence to suggest that pressure on Mugabe to compromise came from regime leaders eager to get EU and U.S. freezes of their personal assets lifted; on the other hand, an equally important factor may



have been the country's catastrophic economic situation, the result not of targeted sanctions but of misguided domestic policies."<sup>102</sup>

In 2009, the power-sharing government took office, with cabinet posts split between the ZANU-PF and two opposition groups, the Movement for Democratic Change (MDC) and an MDC breakaway faction. This was the first time since independence that the ZANU-PF did not have complete control over the government. Morgan Tsvangirai, the key opposition figure and leader of the MDC, became prime minister and in 2010 went to the European Union to ask for sanctions removal. At the time, Marc Lizoain wrote in *The Guardian*, "If the goal of the EU and US is to build democracy in Zimbabwe, they must remove the sanctions that Zimbabweans do not want. The MDC-ZANU-PF government must be given a fair chance to chart a new way. If the west cannot accept that, by what right do they criticize Zimbabwe?"<sup>103</sup> The European Union did start the process of sanctions removal, lifting sanctions against most of the individuals and entities on their list by 2011.<sup>104</sup> The United States also removed many individuals and businesses from the OFAC list between 2011 and 2016, but leaders in Washington were not completely satisfied with Zimbabwe's attempts at democratic reforms, and many names remained on the list.<sup>105 106</sup>



From late 2008 to 2011, the United States and international community were locked in a crisis related to newly exploited diamond fields in Zimbabwe that had been the scene of terrible human rights violations in late 2008. Diamond-related pressure became a policy focus, with earlier targeting of certain parastatal companies having an unexpectedly strong impact on negotiations within the Kimberley Process and on the diamond industry itself, though Zimbabwe was eventually allowed to export its rough diamonds without restrictions. Sanctions were eventually imposed to address the diamond trade directly, including against foreign facilitator Sam Pa and other diamond-related entities in Zimbabwe.<sup>107</sup> Pa's designation in 2014, along with other associates involved in the diamond trade, received international attention and was somewhat effective, particularly in the diamond sector.<sup>108</sup> Despite the Pa designation, though, the U.S. sanctions policy floundered. According to Marti Flacks, former senior State Department official and former Director for African Affairs at the National Security Council, by 2014, "the Zimbabwe program had become a bit stale. The regime had adapted to sanctions, and the United States wasn't adding any individuals to the list. Without focused attention and adaptation to new circumstances, the tool had become ineffective as a tool to change



government behavior, and somewhat counterproductive.”<sup>109</sup> The U.S. Embassy in Harare has a statement on its website emphasizing U.S. policy: “We have made it clear that the easing of restrictive measures, including targeted sanctions and travel bans, will only occur in the context of credible, transparent, and lasting democratic reforms.”<sup>110</sup> The 2018 elections were fraught with irregularities and accusations of vote rigging, and the State Department released a statement expressing concern over election-related violence.<sup>111</sup> Still, no new sanctions were announced.

November 2017 brought internal ZANU-PF strife. President Mugabe fired his longtime vice president, Emmerson Mnangagwa, accusing him of disloyalty. In response, the military forcibly removed Mugabe from office.<sup>112</sup> Mnangagwa—who has himself been under U.S. sanctions since 2003—was then sworn in as president and new elections, which Mnangagwa narrowly won, were held eight months later. Again, election observers noted irregularities, but the opposition’s recount request was denied.<sup>113</sup> In January 2019, the African Union called for the removal of U.S. and EU sanctions against Zimbabwe, citing the ineffectiveness of the sanctions and the dire economic situation in the country.<sup>114</sup> In February 2019, the European Union extended its sanctions for another year, but delisted two of the four individuals left on the list, leaving just Mugabe and his wife, Grace.<sup>115</sup> In March 2019, the Trump administration extended existing U.S. sanctions for another year, with 141 individuals and entities still on the list.<sup>116</sup> Trump administration officials have said the sanctions will remain until the government changes Zimbabwe’s laws restricting media freedom and allows protests.<sup>117</sup> This announcement was met with ire from ZANU-PF leadership, who repeated their usual message, claiming the United States wants regime change and the sanctions are because of land reform issues.<sup>118</sup>

## Difficulties of Enforcement

The U.S.-imposed Zimbabwe sanctions have been unevenly enforced by OFAC. Only a handful of fines have been levied against banks for violating Zimbabwe sanctions, though OFAC also issued guidance for the diamond industry indicating that purchases of Zimbabwean diamonds would likely involve a sanctions violation.<sup>119</sup> The earliest enforcement action occurred in 2012 as part of a large settlement with HSBC involving violations of sanctions against Cuba, Myanmar, Iran, and Libya. The settlement process revealed that HSBC had also violated Zimbabwe sanctions, but OFAC deemed that particular violation “not egregious,” unlike the others.<sup>120</sup> In 2016, Barclays Bank was fined a relatively small amount (\$2.49 million) for violating Zimbabwe sanctions. Barclays was struggling to implement an effective compliance mechanism to conduct customer due diligence.<sup>121</sup> In 2017, OFAC imposed a fine against CBZ Bank, one of Zimbabwe’s largest banks, and in April 2019 fined Standard Chartered \$18 million for violating Zimbabwe sanctions.<sup>122 123</sup> Foreign banks have become skittish about operating in Zimbabwe, raising the possibility of de-risking and compounding the economic crisis.<sup>124125</sup> The Zimbabwean financial sector has reportedly lost more than 100 foreign correspondent accounts since 2008.<sup>126</sup> After years of ZANU-PF claims that sanctions were hurting the people of Zimbabwe, the closure of correspondent accounts in the country could actually have dire economic consequences on the public.<sup>127</sup>

Interestingly, it is illegal under Zimbabwean law for banks operating in Zimbabwe to comply with Western sanctions, but Western banks are also subject to OFAC fines for violating sanctions, putting them in an extremely difficult position.<sup>128</sup> The Sentry interviewed several compliance managers at large international banks operating in southern Africa. The managers recognized the difficulties of sanctions compliance in



Zimbabwe. One bank official said that despite so many names being removed from OFAC's list, "It has not become easier to operationalize in Zimbabwe. Cross-border transactions are difficult, and denying business for a Zimbabwean person in Zimbabwe is quite difficult to manage."<sup>129</sup> The massive closure of foreign correspondent accounts shows that many Western banks are finding it too costly and risky to continue to do business in Zimbabwe, and are simply leaving the country.

---

**It is illegal under Zimbabwean law for banks operating in Zimbabwe to comply with Western sanctions.**

---

Despite the fall of Mugabe in late 2017, the United States' Zimbabwe sanctions program has not seen much new activity; the last addition to Zimbabwe sanctions was in 2016, and only one person was delisted in 2017. Given the growing fear of de-risking and increased economic instability, this could be a wasted opportunity. As seen between 2011 and 2016 in Myanmar, an aging sanctions regime can be used as leverage to demand democratic reforms. According to several former U.S. government officials interviewed by The Sentry, the State Department

and Treasury Department conducted outreach to various entities designated under the Myanmar sanctions program after the new civilian government took control in Myanmar in 2011. They laid out what would need to happen for those entities to be removed from the list, giving individuals and entities a clear path to delisting.<sup>130</sup> Both departments implemented strategies that incentivized democratic and economic reforms and increased the capacity of Myanmar's financial system to combat illicit finance.<sup>131</sup> These strategies helped push the government to take concrete actions, and in October 2016 the entire U.S. sanctions program was formally ended.<sup>132</sup> A similar effort could prove effective in Zimbabwe, as the sanctions have not been well maintained or updated and have not had a noticeable impact on government policies since 2009. Without a clear policy strategy for Zimbabwe, including robust diplomatic messaging, it is difficult to see how the program will have any further impact. Ms. Flacks contended, "As a sanctions program ages, the messaging needs to change."<sup>133</sup> Just because sanctions are lifted does not mean the U.S. government has no remaining levers to pull to ensure that American companies are investing responsibly. As in the case of Myanmar, where the State Department created the "Burma Responsible Reporting Requirements" requiring U.S. persons to report on human rights and anticorruption processes and procedures, the United States could significantly expand this model to other countries, such as Sudan, Zimbabwe, and South Sudan, to ensure that companies doing business there must file publicly available reports with the State Department that highlight areas of concern. This allows the U.S. government to encourage investment and engagement in a way that does not harm the general population, but prevents U.S. companies from being connected to kleptocratic networks without public awareness.

Much like with Sudan and Myanmar, if the U.S. government has no interest in maintaining the Zimbabwe program in a way that would maximize its effectiveness, it has an opportunity to use the prospect of delisting to encourage reform. This could encourage the government of Zimbabwe to institute much-needed democratic reforms, and show the people of Zimbabwe that the United States wants to see the country succeed. If the government of Zimbabwe is eyeing the case of Sudan, the prospect of sanctions removal may even encourage it to undertake economic reforms and adopt anticorruption measures; after all, if sanctions are lifted, the government can no longer use them as the sole excuse for the state of the economy and may be more vulnerable to mass protests.



## Sudan



The U.S. sanctions regime against Sudan is often cited as a failure of so-called “comprehensive sanctions” that prohibit commercial activity with an entire country, similar to the U.S. embargo against Cuba. Sudan has been under some form of U.S. or EU sanctions since the mid-1990s, and under U.N. sanctions since 2004. All of these sanctions were related to the actions of the Omar al-Bashir regime, and while regime change was not the stated goal of the sanctions, the actions of the U.S. government for years intimated that President Bashir should step down.<sup>134</sup> Still, marked behavior changes occurred over time that showed some success of the international community’s strategy to force Sudan to cut ties with terrorists and end its grave human rights abuses.

Beginning in 1993, the international community imposed sanctions against Sudan for its ties to Islamist terrorist groups, including al-Qaida. The United States placed Sudan on its new “State Sponsors of Terrorism” list in August 1993, a designation that brings with it strict sanctions.<sup>135</sup> In 1994, the European Union imposed an arms embargo on Sudan.<sup>136</sup> In 1997, the United States imposed sanctions on Sudan via E.O. 13067, citing the Bashir regime’s continued support for international terrorism, ongoing efforts to destabilize neighboring governments, and gross human rights violations against civilians.<sup>137</sup> In 2005 and 2006, the UNSC issued Resolutions 1591<sup>138</sup> and 1672<sup>139</sup> condemning atrocities committed by government forces in the Darfur region of Sudan. Additionally, in 2006, the United States issued E.O. 13400, which was a Congressionally mandated modification to E.O. 13067, and 13412, which expanded the 1997 executive order to include sanctions against persons and entities involved in the Darfur genocide. Despite the combined U.S., U.N., and EU sanctions blocking more than 150 different Sudanese entities, the Bashir regime remained in place.

To understand the effectiveness of the U.S. sanctions against Sudan, one must look at the original intention of the sanctions program. While in other cases it may be more difficult to ascertain original intent, the U.S. government provided that intent in a self-assessment of the effectiveness of the U.S. sanctions against Sudan in a 2009 Congressionally mandated report to Congress: “The ultimate objective of sanctions is behavioral change.” The report goes on to say:

*With the government of Sudan’s continued intransigence on the deployment of [African Union-United Nations Hybrid Operations in Darfur] UNAMID peacekeepers, access by humanitarian relief groups to Darfur, and persistent eruptions of violence in Darfur and along the North-South border, central U.S. policy goals of stability and peace have not yet been secured and sanctions remain in place. Short of*





*this ultimate objective, however, the most meaningful measure of a sanctions program is whether and to what extent it is exerting pressure on relevant decision makers such that it affects their behavioral calculi. That said, it can be notoriously difficult to measure regime thinking and attribute the impact of sanctions. Even when regime-level behavioral changes do occur, it is difficult to identify the precise role that sanctions might have played in bringing about such changes. This report concludes that U.S. sanctions against Sudan have applied constructive pressure that has affected key Sudanese officials' decision-making calculi.*<sup>140</sup>

The report advises that many specific examples of the effects on Sudanese officials' decision-making calculi are classified and cannot be shared publicly. The effects this report refers to are likely related to the diplomatic engagements between the United States and Sudan. According to interviews with former U.S. officials at the State Department, Sudanese government officials always raised sanctions in meetings with U.S. officials, often telling sad stories about their inability to pay for their children's tuition or get medical care for relatives and asking what could be done to lift sanctions.<sup>141</sup> The constant complaining about sanctions was likely taken by the Treasury Department to mean that sanctions were having an impact on "officials' decision-making calculi."

Enforcement of the U.S. sanctions on Sudan was uneven at best. Many sanctions experts following the program derided the U.S. government for imposing a comprehensive sanctions program but then not maintaining it, thereby making it less effective. According to one former senior OFAC official, "The U.S. government did not keep updating the list, nor did it keep tracing financial networks and weapons networks in this sanctions program context."<sup>142</sup> Even so, the sanctions did manage to isolate the Bashir regime; one senior banking official told The Sentry, "From a U.S. banking perspective, it was an effective sanctions program. It was successful at censuring and isolating the Sudanese government."<sup>143</sup> This was partly because the U.S. government acted against foreign banks that violated its Sudan sanctions by processing payments for sanctioned entities. For example, in July 2014, BNP Paribas S.A., a large international bank based in Paris, was fined \$8.9 billion by various U.S. law enforcement authorities for violating international sanctions against Sudan, Iran, and Cuba. The bank admitted that from at least 2004 through 2012, it moved more than \$8.8 billion through the U.S. financial system on behalf of Sudanese, Iranian, and Cuban sanctioned entities, with the majority of the illegal payments made on behalf of those sanctioned through the Sudan program.<sup>144</sup> The fine, the largest in U.S. history, was shocking to the international banking community, and led many banks to significantly beef up their compliance programs.<sup>145</sup> This demonstrates the power and deterrent effect of proper enforcement around sanctions compliance.

## Lifting Comprehensive Sanctions

The Sudanese government lobbied the U.S. government for years to remove sanctions<sup>146</sup> and encouraged it allies, namely Saudi Arabia and other Gulf countries, to do so as well.<sup>147</sup> Other countries invested heavily in Sudan while the United States continued the embargo. The Bashir regime courted foreign investors to try to revive the country's stalled economy, and as a result, China, Malaysia, and India all invested in Sudan's oil sector in the 1990s and 2000s.<sup>148</sup> Sudan also tried to improve relations with Europe. The Sudanese government reached out to the European Union in 2015, knowing how salient the issue of migration from North Africa had become, offered to focus on countering the trafficking of persons and undocumented migration into Europe



in exchange for millions of dollars in economic assistance.<sup>149</sup> In what was possibly in an effort to exhibit behavioral change, Sudan offered support when the North Atlantic Treaty Organization (NATO) intervened in Libya in 2011, providing intelligence and becoming a weapons transfer point for the Libyan opposition.<sup>150</sup> On counterterrorism, the original reason for U.S. sanctions against Sudan, the Sudanese government offered the United States information about al-Shabaab, a terrorist group based in Somalia. Sometime after 2015, the CIA, then led by John Brennan, began pressing the interagency to lift sanctions on Sudan, mainly to promote even closer cooperation between the United States and Sudan on East African counterterrorism efforts.<sup>151</sup> Sudan watchers around the world agreed that the comprehensive sanctions against Sudan were not working in the way the United States intended, and had in fact strengthened the Bashir regime.<sup>152</sup> The lobbying efforts of the Sudanese government, the CIA's support for sanctions removal, and the U.S. government's apparent disinterest in maintaining the sanctions program contributed to the signing of the U.S.-Sudan Five-Track Engagement Plan in 2016. This was a chance to bring Sudan to the negotiating table and use sanctions removal as leverage. The five tracks in the plan included:

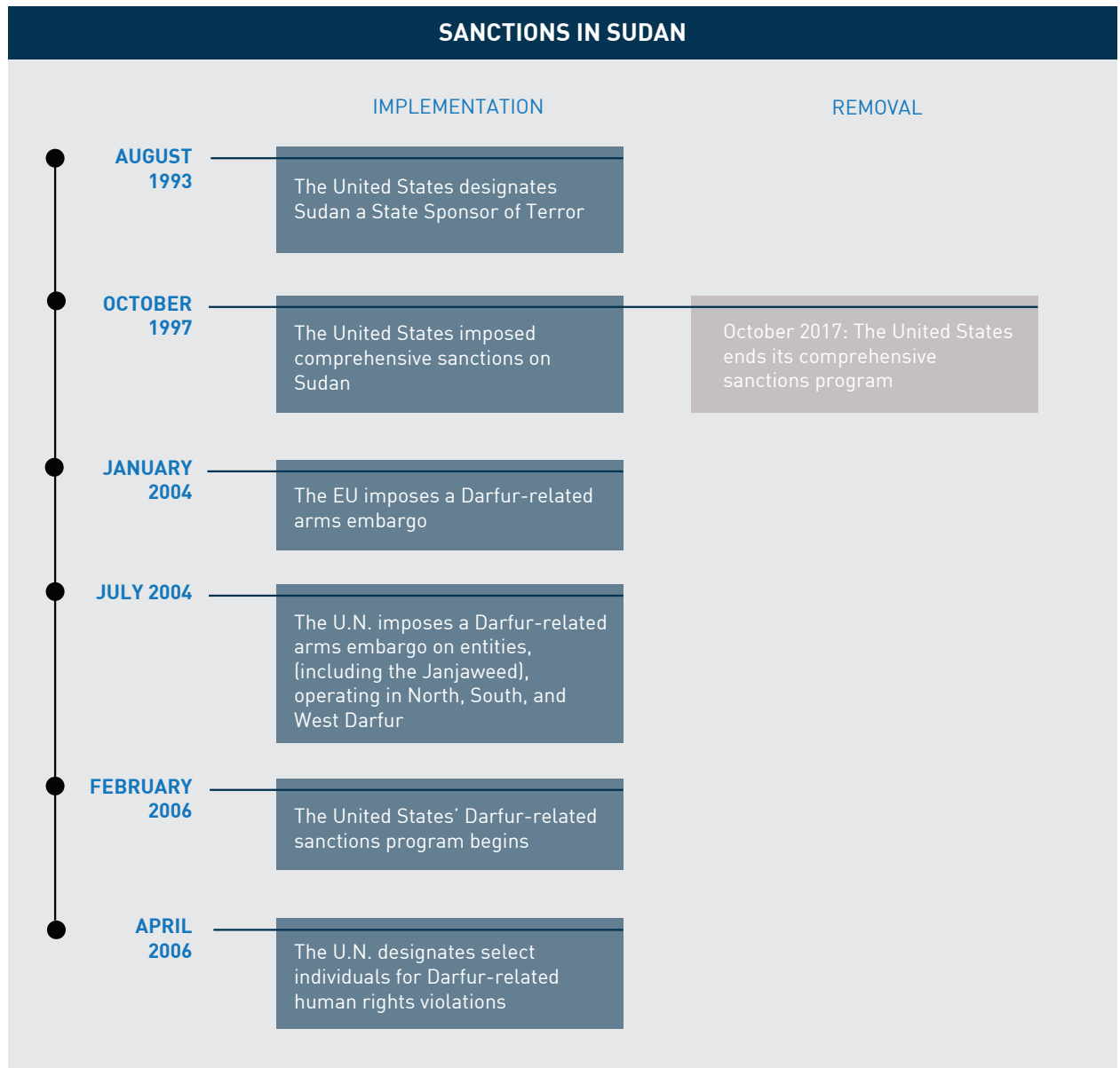
- 1) Maintaining the cessation of hostilities in the areas of internal conflict, including Darfur and South Kordofan;
- 2) Improving humanitarian access within the country;
- 3) Ending the destabilizing activity in South Sudan;
- 4) Further developing joint counterterrorism efforts with the United States; and
- 5) Working to improve regional security, focused on the Lord's Resistance Army (LRA).<sup>153</sup>

While decried by Sudan watchers for their silence on the necessary requirement of improving Sudan's dismal human rights record, and for the lack of benchmarks against which to measure progress, these tracks did align with the original policy goals of the various sanctions programs, and the United States expressed it was pleased with Sudan's progress on all tracks.<sup>154</sup> This eventually resulted in the lifting of comprehensive sanctions against the Sudanese government in October 2017. The only sanctions not lifted were those related to the U.S. State Sponsor of Terrorism (SST) designation, and some U.N.-mandated sanctions related to the Darfur crisis, which still remain today. Still pleased with Sudan's efforts to address humanitarian issues and increase counterterrorism cooperation, in November 2018 the United States and Sudan agreed on a six-track plan for removing Sudan from the SST list, conditional on satisfactory progress in meeting the six-track goals.<sup>155</sup><sup>156</sup> Although Sudan hopes for and likely expects removal from the list, that result remains uncertain. Sudan's removal from the terrorism list would involve a lengthy review by the U.S. intelligence community, and Congress has the ability to block it.<sup>157</sup> Meanwhile, the U.N. and EU arms embargoes remain in place.

Others outside the U.S. government, however, were skeptical of Sudan's efforts to address human rights violations, and even its ties to terrorists. As recently as 2014, the State Department's Country Report on Terrorism outlined numerous examples of terrorist activity, including: allowing al-Qaida-inspired terrorist groups to operate there; allowing members of Hamas to travel, fundraise, and live in Sudan; allowing the LRA to continue to operate there; and kidnapping foreigners for ransom in Darfur.<sup>158</sup> The 2014 State Department report states that "Sudanese officials have welcomed Hamas members to Khartoum . . . and its members are permitted to conduct fundraising in Sudan."<sup>159</sup> In early 2017, an Egyptian investigation into an unspecified "terror" group found that militants had received training in Sudan. The militants had ties to the Muslim Brotherhood, to which Hamas traces its roots.<sup>160</sup> On human rights violations, human rights watchers continued to report on gross violations of human rights propagated by the government of Sudan.<sup>161</sup> According



to Human Rights Watch, “Sudan’s rights record showed little change in 2018. Conflicts in Darfur, Southern Kordofan and Blue Nile continued. The National Intelligence and Security Service (NISS) used excessive force to break up protests and arbitrarily detained dozens of activists and opposition party members.”<sup>162</sup>



Another part of this sanctions story is Sudan’s kleptocracy. Sudan suffers from one of the highest rates of corruption in the world.<sup>163</sup> As detailed in previous reports by the Enough Project and The Sentry,<sup>164</sup> governing institutions were coopted by a corrupt network engaged in personal enrichment and a repressive security apparatus aimed at protecting the interests of the country’s elite. Bashir’s kleptocracy undermined previously democratic institutions and processes and compromised government checks and balances, resulting in an autocratic system. Senior members of the government are engaged in extensive corruption, thus undermining government pledges to combat graft.<sup>165</sup> One of the products of this extensive corruption is a





struggling economy and weak banking sector. Because Sudanese banks were unable to trade in U.S. dollars due to sanctions, a large black market for dollars exists in the country, leaving the formal banking system struggling without much liquidity. After the oil crash and the secession of South Sudan in 2011 (taking 70 percent of Sudan's oil reserves with it), Sudan's economy continued to flounder. Despite the grand corruption and economic mismanagement on the part of the government, for almost three decades the Bashir regime constantly blamed the failing Sudanese economy on sanctions.

The people of Sudan suffered in many ways. The Sentry spoke with representatives from Sudan's business community. According to Ahmed Amin Abdelatif, the CEO of Central Trading Company, the sanctions pushed 90 percent of foreign currency transactions "off-network," or to cash transactions by 2007.<sup>166</sup> Cash reliance generally increases the cost of doing business: cash is difficult to obtain, move, and keep safe. It became very problematic and expensive for average people to obtain foreign currency and conduct international trade. According to Mr. Abdelatif, the NISS and other senior members of Bashir's inner circle took advantage of the economic realities under sanctions, and by using typical money laundering obfuscation techniques, they were able to corner entire markets, including the petroleum sector.<sup>167</sup> Mr. Abdelatif explained to The Sentry, "We saw a massive transfer of wealth away from the private sector and to the government, which directly contributed to the life of [Bashir's regime] through economic empowerment under the guise of sanctions."<sup>168</sup> Wafa Elnefeidi of the Elnefeidi Group told The Sentry how difficult it became to operate a business, particularly as the economy crumbled and the currency woes continued between 2011 and 2017. For years, Ms. Elnefeidi struggled to get foreign companies to invest, and the economic situation in Sudan was worsening, making everything incredibly expensive. She saw many young people in her generation leave the country because sanctions prevented them from pursuing international or cross-border business prospects, essentially excluding them from global markets.<sup>169</sup> After comprehensive sanctions were removed, the business community saw neither changes nor enough effort by the U.S. government to encourage foreign companies to do business in Sudan.<sup>170</sup> Lobbying by the independent business community, prominent public health workers, the academic community, and agricultural investors added to the pressures on the U.S. to lift the comprehensive sanctions.

---

**For almost three decades  
the Bashir regime  
constantly blamed the  
failing Sudanese economy  
on sanctions,  
despite the grand  
corruption and economic  
mismanagement on the part  
of the government.**

---

The Sentry interviewed many former U.S. government officials to understand the decision-making process behind the dismantlement of the Sudan sanctions program. One major argument for removal put forth by some within the U.S. government was that lifting sanctions would take away a talking point for the Sudanese regime: that the economic crisis was the direct result of U.S. sanctions.<sup>171</sup> However, as some U.S. government officials had predicted, the Sudanese economy failed to improve after U.S. sanctions were lifted. In fact, the economic situation got even worse, with the second-highest inflation rate in the world. The message that all Sudan's economic woes were due to sanctions, rather than a system of entrenched kleptocracy, no longer held up.

In the wake of a deteriorating economy despite the lifting of sanctions, the strong anticorruption sentiments of Sudan's population helped mobilize large but peaceful protests across the country. Protesters demanded



an end to repression, a lasting and just peace, and a transition to democratic rule. The protests began in late December 2018 and lasted for months despite security forces' violent attempts to silence them. A military coup d'état removed Bashir from power on April 11, 2019, after five months of mass demonstrations by the Sudanese people. Bashir's top generals formed a transitional military council and declared themselves the de facto government during a two-year transition to an elected government. In the end, Bashir was removed from power, but the generals who deposed him are intent on keeping in place the kleptocratic system he constructed over three decades—a system of which they remain the primary beneficiaries.<sup>172</sup> The United States announced on April 11 that it was suspending the delisting talks with Sudan, with the State Department's deputy spokesperson stating, "The Sudanese people have been clear that they have been demanding a civilian-led transition. They should be allowed to do so sooner than two years from now."<sup>173</sup> A power-sharing deal was announced in August 2019, creating a joint military-civilian council for three years until elections can be held.<sup>174</sup>

Sanctions by themselves did not bring down the Bashir regime. The U.S. government was able to shift its strategy: "Instead of relying solely on punishment via sanctions, the new strategy is to use relief to encourage more changes."<sup>175</sup> The United States used that leverage to press for an expeditious transfer of power to a civilian-led transitional government. Around the same time the Sudanese government was negotiating with the United States over sanctions removal, the United States was also negotiating with Myanmar and Cuba to lift the longstanding sanctions against those governments. The Sudan, Cuba, and Myanmar sanctions were used essentially as leverage for the U.S. government. The governments of both Cuba and Myanmar negotiated for months with State Department and Treasury officials, meeting specific benchmarks to see sanctions lifted.<sup>176</sup> In the Sudan case, the United States was able to barter for much-needed cooperation in regional security issues. It is likely that the combination of three factors led U.S. policymakers to justify the sanctions removal: 1) the need for cooperation on counterterrorism; 2) the Obama administration's desire to terminate an inactive sanctions program against Sudan; and 3) the perception that Bashir's behavior had changed to some extent.



## South Sudan



After a long struggle for freedom and independence from Sudan, the fledgling nation of South Sudan has descended into bloody civil war multiple times. The conflict has claimed the lives of hundreds of thousands of people and displaced millions more. The United States, United Nations, and European Union have all used sanctions as a part of their strategies to address the crisis, mainly by punishing high-level officials for gross human rights abuses and the theft of public money intended for the country's development. Yet, despite international sanctions and the signing of a peace agreement in 2018, violence and grand corruption continue and many South Sudan watchers have little confidence that the peace deal will hold. The case of South Sudan showcases two aspects of sanctions

imposition in Africa: 1) the possibilities of targeted, network sanctions, and 2) the realities of sanctions enforcement in the region.

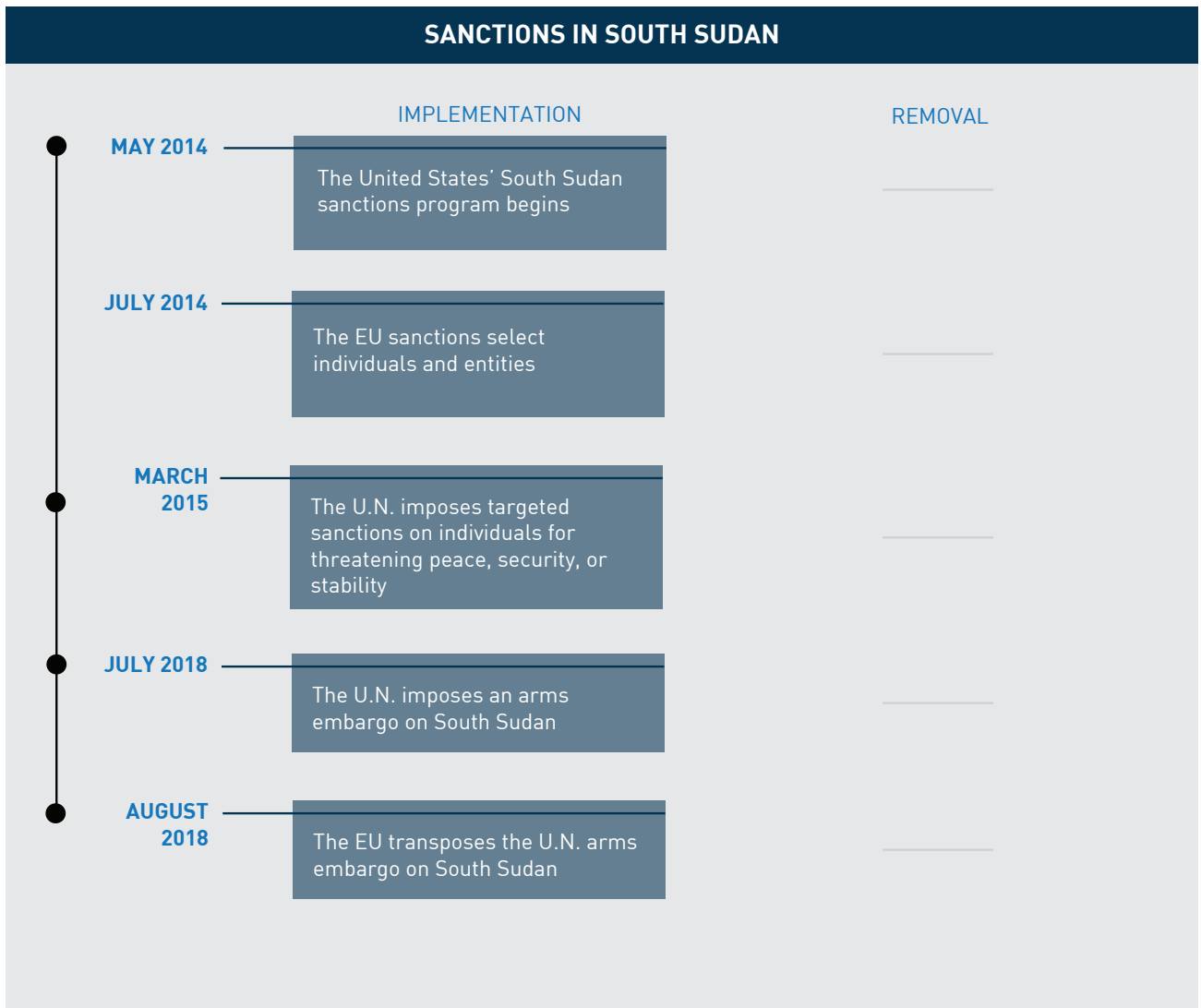
South Sudan fought for its independence from Sudan for decades. In 2005, the U.S. government pushed the government of Sudan and the South Sudanese rebels, mainly represented by the Sudan People's Liberation Army (SPLA), to sign a comprehensive peace agreement, giving the south the right to more fully govern itself as well as hold a referendum on secession. In January 2011, that referendum was held and 98 percent of the population voted for independence; the country formally seceded on July 9, 2011.<sup>177</sup> The people, for the most part, celebrated their independence and hoped for lasting peace, but the country was already struggling with ethnic tensions and violence. In December 2013, President Salva Kiir claimed that former Vice President Riek Machar had attempted to stage a coup as a way to justify the deployment of loyal militia forces who targeted soldiers and civilians from Machar's Nuer ethnic group. The resulting civil war raged until 2018, with small intermittent windows of peace.<sup>178</sup> The war has claimed nearly 400,000 lives and has displaced 4.5 million people.<sup>179</sup> Numerous ceasefires have been brokered by the Intergovernmental Authority on Development (IGAD), a regional group representing countries in the Horn of Africa.<sup>180</sup>

The international community has worked to end the war since 2014. At South Sudan's independence in 2011, the UNSC passed a resolution establishing the United Nations Mission in South Sudan (UNMISS) for one year "to consolidate peace and security, and help establish conditions for development in the Republic of South Sudan, with a view to strengthening the capacity of the government of South Sudan to govern effectively and democratically and establish good relations with its neighbors."<sup>181, 182</sup> In 2014, citing the civil war, the UNSC shifted the mission's mandate from nation-building to civilian protection, thereby permitting U.N. troops to use force.<sup>183</sup> Because of continued insecurity, the UNMISS mandate has been extended through 2020. UNMISS now has 17,000 peacekeepers in South Sudan. In addition to peacekeepers, the UNSC passed a resolution



in March 2015 allowing for travel bans and asset freezes against individuals or entities “that threaten the peace, security and stability of South Sudan.”<sup>184</sup> This resolution also established a Panel of Experts to gather information and report its findings related to violence, corruption, and sanctions evasion in South Sudan.

The U.S. government is also significantly invested in resolving the South Sudan crisis; it was one of the biggest champions of the country’s independence from Sudan. According to the Congressional Research Service, “The United States is the largest humanitarian donor in South Sudan, providing almost \$3.5 billion in humanitarian funding since the war began, and over \$480 million in FY2018 alone. The United States is also the largest financial contributor to the UN peacekeeping mission.”<sup>185</sup> On April 3, 2014, President Obama signed E.O. 13664, authorizing targeted sanctions against specific entities and individuals contributing to the insecurity in South Sudan.<sup>186</sup> To date, 21 individuals and entities have been designated under this authority. In addition to sanctions, the U.S. government has used diplomacy and foreign assistance as part of its strategy to stop the violence, and diplomatic pressure continued even through the transition to the Trump administration.<sup>187</sup>



European authorities also worked quickly to pass sanctions, creating a program in July 2014 under which nine individuals are currently sanctioned.<sup>188</sup> The European Union has also provided tens of millions of dollars in aid to South Sudan, and works closely with regional partners to encourage the peace process.<sup>189</sup> In the region, IGAD continues to work with the government of South Sudan, the opposition, the African Union, and the international community to coordinate pressure strategies to end the civil war and ensure that peace holds. However, according to Colin Thomas-Jensen, Senior Policy Advisor to the U.S. Mission to the UN and former Enough Project senior policy advisor, “Generating regional support for sanctions against South Sudan was challenging. South Sudan’s neighbors had diverging interests in Juba, supported separate and often competing peace processes, and routinely told the United States and others not to put pressure on South Sudanese leaders—even those most responsible for horrific abuses against civilians—in order to preserve a non-existent peace agreement.”<sup>190</sup> When the United States tried to push an arms embargo through the UNSC in 2016, China voted it down. The United States tried again in 2018 and was successful. The U.N. arms embargo on South Sudan remains in place.<sup>191</sup>

## Targeted Sanctions

With such a concentrated multilateral approach, why has achieving peace proved so difficult? And why, even now, does the peace deal signed in September 2018 look so fragile? Have sanctions been effective at all? Almost all of the experts The Sentry spoke to agreed that sanctions against South Sudan were not effective at bringing about peace to the country and stopping the civil war in the period after it broke out.<sup>192</sup> Some recent sanctions efforts, however, have shown some impact. Among the U.S. officials we spoke to, there was a general sense of frustration over dealing with South Sudan through diplomacy and financial pressure. Several current and former officials told us there was always a sense of “hurry up and wait” when it came to developing sanctions tranches on South Sudan.<sup>193</sup> There would be a directive from the National Security Council to develop a tranche of targets for sanctions, and OFAC would work to complete the packages as quickly as possible. But the packages were not always easy to compile; intelligence collection in South Sudan is incredibly limited, making it difficult for OFAC investigators to find usable data to build strong cases against individuals involved in fueling the conflict. Intelligence collection is notoriously limited in sub-Saharan Africa, largely because it is a low priority in terms of national security interests.<sup>194</sup> But once sanctions packages were ready, according to multiple people interviewed by The Sentry, components of the State Department and senior levels of the National Security Council would often delay the rollout, citing timing, the delicacy of peace negotiations, or other sensitivities.<sup>195</sup> According to Mr. Thomas-Jensen, “Diplomats have a harder time doing their job without access to warring parties’ leaders and often express concerns that pressure tactics like sanctions will reduce that access. So it was frustrating but not surprising that the Special Envoy initially resisted efforts to put pressure directly on Kiir and Machar, even when it was clear to anyone watching that neither man was capable of putting the best interests of South Sudan ahead of his personal ambitions, no matter what the human cost.”<sup>196</sup> Still, some sanctions moved forward eventually. The first tranches of sanctions were levied against both government officials and opposition figures, similar to the U.S. strategy in the Burundi crisis. Progress was slow. Only four individuals were sanctioned in 2014,<sup>197</sup> and just two in 2015 despite the extreme levels of violence that persisted in South Sudan.<sup>198</sup>

A senior British government official told The Sentry, “To be successful, we need to see a change in the calculation among the elite in South Sudan that leads them to think that peace is a better option than war.



The effort needs to be two-fold: 1) you send a strong political signal that you'll be made a pariah if you continue to indulge in bad behaviors, and 2) you try to track down the ill-gotten proceeds in the conflict.<sup>199</sup> On point one, a "strong political signal" was not sent clearly enough to the South Sudan elite responsible for not only the continuous violence but also broad state capture and corruption.<sup>200</sup> After a slow start to sanctions, the new Trump administration attempted to strengthen the signal by shifting to network-focused sanctions. In September 2017, the United States designated senior South Sudanese officials Malek Reuben Riak, Michael Makuei, and Paul Malong Awan under the South Sudan program, and in December 2017 it sanctioned close Kiir associate Benjamin Bol Mel under the Global Magnitsky Act.<sup>201</sup> In addition to sanctioning these individuals, the United States designated several companies owned by Riak and Bol Mel, making the sanctions more effective by targeting his corporate profile as well as his personal accounts.<sup>202</sup> The United Nations and European Union also designated Riak in 2018.<sup>203</sup>

In December 2018, OFAC announced another set of network-focused sanctions, designating Israel Ziv, a retired Israeli military general who supplied both the South Sudanese government and the opposition with weapons and ammunition, and three of his companies; Obac William Olawo, a businessman who supplied arms and armored vehicles to the government, and three of his companies; and Gregory Vasili, President Kiir's brother-in-law, who brokered arms deals for the government.<sup>204</sup> This move coincided with a threat from the United States to withdraw aid from South Sudan if the recently signed peace deal continued to go unimplemented.<sup>205</sup> This round of sanctions was also notable because it was imposed not reactively during the high point of a crisis, but proactively to connect targeting to broader foreign policy and support peace deal implementation. The designations did not come from a need to be seen to be "doing something"; instead, they demonstrated that sanctions can be a nuanced tool to cover the personal and corporate networks of bad actors. These rounds of sanctions caught the attention of the international media and the South Sudanese government, and in December 2018, the Foreign Ministry's spokesperson indicated the government was ready to engage in dialogue with the United States on ways to improve bilateral relations.<sup>206,207</sup> In general, those targeted for U.S. sanctions since 2017 have been influential elites on both sides of the conflict. The South Sudanese government's panic indicates how personally fearful many officials were of more sanctions.

While they may not have completely changed the behavior of South Sudanese officials who promote violence and engage in corruption, targeted network sanctions definitely got their attention and have limited their operating space. The Sentry has concluded from this case study that the United States should implement more sanctions against the networks of those responsible for perpetrating and promoting mass atrocities. Brian Adeba, Deputy Director of Policy at the Enough Project, argues for the importance of network sanctions, stating: "To be fully effective in thwarting the interests of leaders who may choose to violate the latest peace deal, network sanctions, anti-money laundering measures, prosecutions, and enhanced travel bans must be applied in a genuinely concerted and comprehensive manner."<sup>208,209</sup> The United States could use the Global Magnitsky sanctions authority to target these networks and send a consistent message. Both the government and opposition forces have missed key deadlines stipulated in the September 2018 peace agreement, in part because both sides are concerned about giving up access to captured state resources. Sanctions could be a useful tool for encouraging leadership to meet those deadlines.<sup>210</sup>





## Enforcement Problems

While it is concerning that so few sanctions have been imposed for what has been one of the most horrific civil wars the world has seen, even more troubling is the fact that existing sanctions are not being enforced. U.N. sanctions have not been enforced by member states, in the region and elsewhere. In July 2018, General Gabriel Jok Riak, who is under a UNSC travel ban, reportedly traveled to China to meet with Chinese government officials.<sup>211 212</sup> Additionally, designated individuals travel regularly to Kenya and Uganda, and there is evidence that they keep most of their funds in Kenyan and Ugandan bank accounts.<sup>213</sup> Mr. Thomas-Jensen told The Sentry that “Unfortunately, the United States and other governments do not exhibit the same backbone when enforcing sanctions for human rights abuses as they do for terrorism. In the case of South Sudan, where abusive leaders had siphoned stolen money into Kenyan and Ugandan banks, the United States and other members of the Security Council failed to put the same kind of pressure on the Kenyan and Ugandan governments to freeze those funds as they did with, for example, al Shabaab’s funds.”<sup>214</sup> Recognizing the lack of enforcement in the region, the Treasury Department’s Office of Terrorism and Financial Intelligence, led by Under Secretary Sigal Mandelker, has conducted outreach to the region’s financial institutions and various regional bodies in an attempt to improve sanctions enforcement. Under Secretary Mandelker traveled to the region in 2018, where she urged Ugandan and Kenyan leaders to cease allowing South Sudanese officials to buy property with corrupt proceeds.<sup>215</sup> In May 2019, Assistant Secretary for Terrorist Financing and Financial Crimes Marshall Billingslea traveled to East Africa to encourage local governments, banks, businesses, and regional groups to focus on sanctions and take sanctions enforcement seriously.

---

**There is hope among sanctions experts that an increase in targeted network sanctions, combined with outreach and education, will have an impact on the South Sudan crisis.**

---

But even the regional body in charge of ensuring that governments implement U.N. sanctions admits there are implementation and enforcement challenges. The East and Southern Africa Anti-Money Laundering Group (ESAAMLG) is a regional body mirrored on the Financial Action Task Force (FATF), charged with ensuring all member states implement FATF’s standards to combat money laundering and terrorist financing. FATF standards mandate that states implement U.N. sanctions, but only specifies U.N. resolutions targeting terrorists and proliferators of weapons of mass destruction.<sup>216</sup> Muluken Yirga, ESAAMLG’s senior legal advisor, told The Sentry that “Normally, UNSC resolutions 1267 and 1373 are the only two UNSC sanctions that FATF focuses on.”<sup>217</sup> Mr. Yirga also added that there is very low political willingness to implement sanctions and have a rigid anti-money laundering/countering the financing of terrorism (AML/CFT) system in place in the region, and “attracting foreign investment is not necessarily a priority.”<sup>218</sup>

It may be far too soon to tell if the network sanctions levied by the United States against individuals and entities promoting violence in South Sudan will be a success or not. Anecdotal evidence collected by The Sentry shows some promising effects, such as senior leaders making statements about sanctions pushing them toward signing the recent peace deal.<sup>219</sup> There is hope among sanctions experts that an increase in targeted network sanctions, combined with outreach and education, will have an impact on the South Sudan crisis. South Sudanese government and opposition elites have funds and properties stashed around the world;<sup>220</sup> a global effort to educate financial institutions and foreign governments about the existing sanctions



and encouraging enforcement could help stop this. A senior British government official explained it this way: “Gradually, we want to close the net around the people that have been particularly greedy in the raping of the country. A sanction helps to a degree, but you need to follow up with work on targeting illicit financial flows.”<sup>221</sup> There is an effort by the U.S. Treasury Department and some European governments to build capacity among regional financial institutions, in hopes that the institutions will be able to recognize illicit funds originating from South Sudan making their way out of the country. There is also an effort to encourage large Western financial institutions to work closely with their correspondent banks in Kenya and Uganda to improve sanctions compliance.<sup>222</sup> All of these efforts require a coordinated approach, particularly on public messaging, and consistent attention to the conflict. Should the peace agreement hold, the next step should be for the world to hold the perpetrators of violence and human rights atrocities accountable.





## Burundi

---



Burundi has experienced political upheaval for decades, and a 12-year civil war claimed the lives of 300,000 people between 1993 and 2005.<sup>223</sup> The peace accord that ended the civil war brought Pierre Nkurunziza to the presidency, where he remains today. In April 2015, after two terms in office, he announced he would run for re-election. The announcement was met with outcry from the opposition, as the country's constitution bars the president from running for a third term. The ruling political party, the National Council for the Defense of Democracy-Forces for the Defense of Democracy (CNDD-FDD), argued that Nkurunziza's first term did not count because he had been elected by parliament and not by popular vote. Mass protests erupted in the then capital city of Bujumbura, and security forces violently cracked down on protesters.<sup>224</sup>

In Washington, senior Obama administration officials were watching the situation unfold. There were major concerns that the political crisis in Burundi could devolve into massive violence and ethnic cleansing. Many felt that 20 years prior, the United States had done too little to respond to the Rwandan genocide, which left nearly a million people dead. "There was a sense we had to do something,"<sup>225</sup> one former senior Obama administration official said, even though the U.S. government has not historically had much policy interest in Burundi. There was fierce internal debate between the State Department, the U.S. Mission to the United Nations, the Treasury Department, and the National Security Council over how to respond. Debates also took place within each of those organizations. The European Union was equally alarmed at the prospect of mass violence and raised the idea of imposing sanctions among EU member states, triggering a conversation internally at the State Department about whether the United States should follow the European Union's lead. The Sentry was told by current and former Treasury, State Department, and White House officials that the biggest opponent to imposing sanctions in Burundi was the Treasury Department.<sup>226</sup> Treasury officials considered sanctions in Burundi to be a waste of time and resources, arguing that although Burundi had the markings of a violent kleptocracy and was primed for ethnic conflict, the Burundian government was not attached enough to the global financial system for sanctions to have much of an impact. One Treasury official told The Sentry that because Burundi's senior leaders did not have many connections to the international financial system, targeted financial sanctions would be nearly impossible to enforce.<sup>227</sup>

The situation in Burundi continued to worsen; a failed coup took place on May 13, 2015, and hundreds were subsequently imprisoned. Over the next several months, members of opposition political parties and others who criticized the government disappeared and were often killed. A presidential election took place on July 21, 2015, but most of the opposition boycotted it, allowing Nkurunziza to win handily. In all, some 250,000



refugees fled Burundi for neighboring countries.<sup>228</sup> In October 2015, the European Union imposed targeted sanctions against those found to be “undermining democracy or obstructing the search for a political solution in Burundi as well as those involved in planning, directing, or committing acts that violate international human rights law or international humanitarian law in Burundi.”<sup>229</sup>

## United States Action

In the United States, those in favor of “doing something” were having a difficult time getting consensus on what that something should be. The Obama administration’s priorities were to “stop ethnic cleansing, begin a drawdown of anti-democratic steps taken by those governments, stop oppression of the opposition, and have the government enter into internationally recognized processes with the opposition.”<sup>230</sup> Former U.S. Ambassador to the United Nations Samantha Power was in favor of leveraging sanctions in response to the crisis to prevent civil war and ethnic violence. According to Mr. Thomas-Jensen, Senior Policy Advisor to the U.S. Mission to the UN at the time, “We needed to build leverage with President Nkurunziza, who bore significant responsibility for the deteriorating human rights situation in his country. Nkurunziza was surrounded by a number of hardliners who reinforced his worst instincts, and our goal in sanctioning them was to create a personal cost for human rights abuses and undermining the Arusha Peace Agreement.”<sup>231</sup> Other options were discussed, including military intervention, but there was no appetite to send U.S. troops to Burundi. Unlike military action, sanctions would be low cost and relatively easy for the U.S. government to enact without any additional appropriations from Congress. Ambassador Power and her staff worked with the African Union and encouraged a strong AU response to the crisis. The African Union had initially sent strong messages to President Nkurunziza to adhere to the constitution and hold fair elections, but this strong messaging did not continue after the election. An AU effort to deploy a 5,000-strong Africa Prevention and Protection Mission in Burundi failed to get support from African leaders.<sup>232</sup>

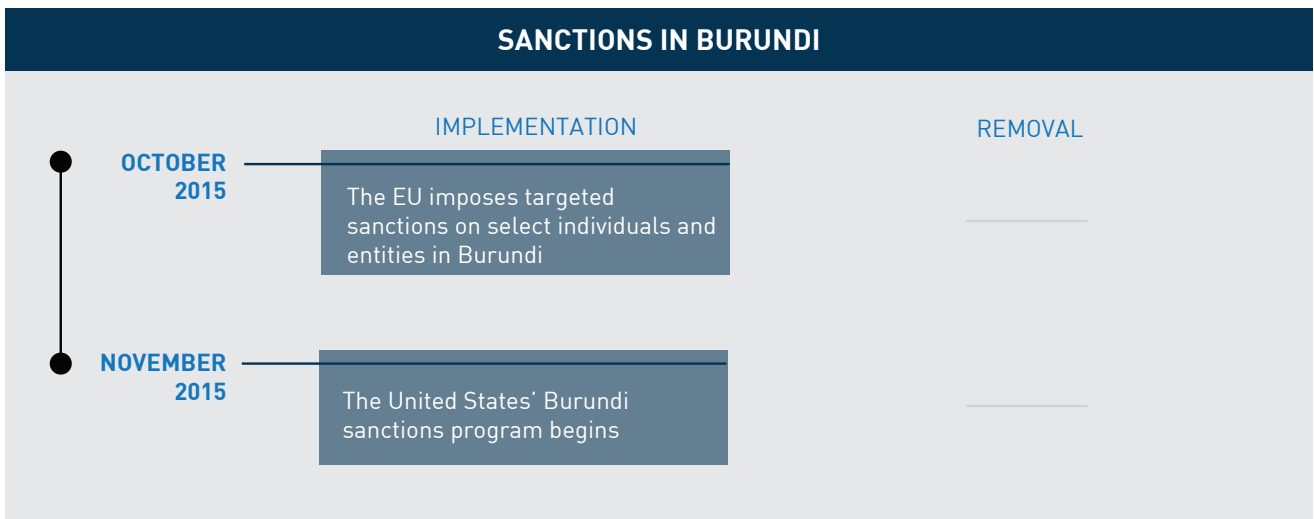
There were concerns from within the State Department that sanctioning the Nkurunziza regime would be interpreted as the United States pushing for regime change. There were additional concerns that any punitive measures against the government would anger the Nkurunziza regime and prompt its members to defiantly commit mass atrocities anyway.<sup>233</sup> The Burundian government has a tight grip on the insular country’s media landscape as well as a sophisticated propaganda machine, and some officials feared it would use American sanctions to portray Burundi as being under attack from colonialist powers and to shore up political support among the population. In an effort to address these concerns, Ambassador Power’s staff worked to come up with a plan for “balanced” sanctions that targeted both the government and the opposition for inciting violence. After five months of discussion, the White House moved forward with an executive order in late November 2015. In a letter to Congress announcing E.O. 13712, “Blocking Property of Certain Persons Contributing to the Situation in Burundi,”<sup>234</sup> then President Obama wrote, “The order is not targeted at the people of Burundi, but rather is aimed at activities by the government and armed groups that contribute to the turmoil there.”<sup>235</sup>

The U.S. government had prepared two tranches of sanctions, with the intention of announcing the second tranche a few weeks after the first.<sup>236</sup> In the first tranche, four individuals were sanctioned: Minister of Public Security Alain Guillaume Bunyoni, Deputy Director-General of the National Police Godefroid Bizimana, former Chief of Intelligence Service Godefroid Niyombare, and former Minister of Defense Cyrille Ndayirukiye.<sup>237</sup> The last two officials were part of the group that launched the attempted coup in May 2015. Ndayirukiye was jailed



for life for his role in the coup, and Niyombare, who managed to escape Burundi and is in exile, was charged in absentia.<sup>238</sup> Neither the Burundian government nor the opposition was satisfied. The Burundian government was not pleased that the U.S. government considered senior officials of the Nkurunziza regime to be in the same category as the coup plotters.<sup>239</sup> In an interview with Jeune Afrique, Niyombare expressed his sadness that “Barack Obama places me on the same list as officers who have remained loyal to Nkurunziza.”<sup>240</sup>

The second tranche of U.S. sanctions continued to target both the government and the opposition. In December 2015, OFAC announced the designation of one additional government official, one leader of a progovernment militia, and two leaders of opposition groups.<sup>241</sup> Burundian government officials immediately amped up public messaging criticizing the United States. According to a former senior U.S. official, “Burundi is a very insular country and the government was able to spin a counter-narrative about sanctions and neocolonialism.”<sup>242</sup> In June 2016, a third tranche of sanctions was announced targeting three more individuals; two of the individuals were members of Nkurunziza’s inner circle, and the third was a rebel leader.<sup>243</sup> The June 2016 tranche was indeed the final tranche announced by the U.S. government. The 11 individuals designated remain under sanctions today.



## International Action

While the European Union and United States had imposed sanctions, the African Union proved unable to agree to send peacekeepers to Burundi. The African Union’s Peace and Security Council did authorize the use of sanctions against Burundi, but the sanctions never materialized.<sup>244</sup> <sup>245</sup> The UNSC had also expressed alarm at the violence in Burundi, and representatives from the council visited Bujumbura in January 2016. President Nkurunziza flatly rejected U.N. offers to help bring calm to the country, and hundreds of people protested the U.N. visit, calling it “meddling.”<sup>246</sup> Then U.N. Secretary-General Ban Ki-moon visited Burundi again in February 2016, continuing to ask President Nkurunziza to allow U.N. or AU peacekeepers into the country. Then Ambassador Power and other U.S. officials, including Tom Perriello, then U.S. Special Envoy to the Great Lakes Region, made public statements encouraging President Nkurunziza to allow peacekeepers and to open up to possible mediation channels.<sup>247</sup> Mr. Perriello told Reuters at the time, “At some point the



world has to wonder what you're hiding if you're adamant about preventing any independent eyes and ears on the ground."<sup>248</sup> Despite such intense international focus on the crisis, the UNSC never passed sanctions against Burundi. The Russian delegation to the United Nations was vocal about the situation not requiring sanctions.<sup>249</sup> The United Nations did pass a resolution on Burundi in 2016, authorizing the deployment of 228 U.N. police officers to Burundi, urging the government to fully cooperate with the U.N. Office of the High Commissioner for Human Rights (OHCHR), and asking the government of Burundi to work with the African Union to immediately deploy AU human rights observers and military experts.<sup>250</sup> Russia voted in favor of this resolution, while China abstained. A year later, the UNSC released a press statement, lamenting that the resolution had not been implemented and that Burundi was not cooperating with the African Union or the OHCHR.<sup>251</sup> While U.N. sanctions can be highly effective because of their naturally multilateral nature and the fact that they have the force of law in their member states, the United Nations itself has no enforcement capability; it is up to member states to enforce UNSC resolutions. This was a test of the council's ability to effectively address an internal crisis in a U.N. member state without sanctions or peacekeeping forces.

Much of the United Nations' work on Burundi was carried out not by the UNSC, but by the U.N. Human Rights Council. The council passed a resolution in September 2016 establishing a Commission of Inquiry on Burundi.<sup>252</sup> The commission was asked to investigate human rights violations, formulate recommendations, engage with Burundian authorities and civil society leaders, and submit regular reports to the United Nations similar to those of U.N. panels of experts. In 2017, based on its findings, the commission called for the International Criminal Court (ICC) to open an investigation into crimes against humanity committed in Burundi.<sup>253</sup> The Burundian government responded by becoming the first nation to leave the ICC, ensuring it would no longer be under ICC jurisdiction for crimes committed internally.<sup>254</sup> The commission continued to uncover human rights violations and submitted several more reports to the U.N. Human Rights Council. The most recent report, published in September 2018, described crimes committed by the government, including "cases of summary execution, enforced disappearance, arbitrary arrest and detention, torture and other cruel, inhuman or degrading treatment, sexual violence, and violations of civil liberties such as the freedoms of expression, association, assembly and movement."<sup>255</sup>

In 2018, Burundi held a referendum on whether to amend the constitution in such a way that would allow President Nkurunziza to remain in power until 2034. Protests flared and the opposition was very vocal against the referendum. Again, the international community worried about the possibility of increased violence and a continuation of human rights violations, and senior leaders from the European Union, United Nations, African Union, and United States issued statements pressuring Nkurunziza not to lengthen his term in office.<sup>256</sup> Even though the referendum passed, paving the way for yet another term in office, President Nkurunziza announced he would be stepping down after the next presidential election in 2020.<sup>257</sup> While met with skepticism by the opposition,<sup>258</sup> this announcement was considered by the U.S. government to be a positive step for democracy in Burundi.<sup>259</sup>

## Assessment of Effectiveness

There is disagreement among sanctions experts and Africa watchers on whether the Burundi sanctions levied by the United States and European Union were successful or not. The goal of the sanctions programs was to end the violence, prevent genocide or ethnic cleansing, and bring President Nkurunziza and the



opposition to the negotiating table. As revealed by interviews conducted by The Sentry and in academic journal articles, many experts agree that the Burundi sanctions were successful in that they ensured a very high level of attention was paid to the crisis in Burundi, not just within the U.S. government, but globally.<sup>260</sup> The symbolism of then President Obama signing an executive order at the White House—exhibiting to the world that he was prioritizing Burundi as well as mass atrocity prevention more broadly as a foreign policy focus of his administration—was powerful. Another point in favor of the argument that the sanctions were effective is that a genocide did not occur, the fear of which had been a major catalyst for imposing sanctions. However, critics of the use of sanctions in this case argue that the sanctions actually strengthened the Nkurunziza regime, in that it gave him the opportunity to change messaging and shore up support for the government against external enemies within Burundi. President Nkurunziza was also to point to “outside meddlers” as the reason for discontent among the populace, removing the responsibility for promoting violence from himself and his administration. If we take a look at the U.S. government’s intended policy goals for Burundi, they were: 1) stop ethnic cleansing; 2) begin a reversal of antidemocratic steps taken by the government; 3) stop the government’s violent repression of the opposition; and 4) have the government enter into an internationally recognized conflict resolution process with the opposition. In regard to the first goal, the U.N. Commission of Inquiry has reported that ethnic violence has continued, but a genocide or episode of mass ethnic violence may have been averted.<sup>261</sup> On the second, while the referendum resulted

---

**Many experts agree that the Burundi sanctions were successful in that they ensured a very high level of attention was paid to the crisis in Burundi, not just within the U.S. government, but globally.**

---

in the extension of Nkurunziza’s potential time as president, he has stated that he will step down in 2020; it remains to be seen whether that promise will be kept. On the third, the opposition continues to be oppressed. On the last goal, a dialogue between the government and opposition did begin in October 2018, but it has seen little progress thus far.<sup>262</sup> Therefore, Burundi sanctions, which were deployed along with a host of diplomatic tools like monitoring efforts, dialogue promotion, and training programs,<sup>263</sup> may be said to have been somewhat effective.

The Burundi sanctions also gave rise to a discussion about whether so-called “symbolic sanctions” are worth imposing. While the sanctions signaled to the Burundian government and opposition that the world was watching, freezing the assets of 11 Burundians likely did not have a major impact on civil unrest and human rights abuses in Burundi, in part because they were unlikely to be very connected to the international financial system. Current and former Treasury officials interviewed by The Sentry also made it clear that administrative issues need to be taken into consideration if the sanctions are not likely to be able to attack a target’s assets. According to a senior Treasury official, “Just adding a name to the OFAC list is not the best use of the tool. There are costs that are associated with the OFAC programs, including annual renewal, publishing regulations, responding to inquiries, and not to mention the massive compliance cost.”<sup>264</sup> A senior British government official, on the other hand, argued that symbolic sanctions have incredible power: “It’s a message. You want to be able to show to the people who are suffering that their suffering has been noticed, and the international community is taking note of specific incidents. Perhaps that will give people hope that one day there will be justice and accountability.”<sup>265</sup>





## The Central African Republic



An increase in raging conflict in the Central African Republic (CAR) since late 2012 has prompted the African Union, United Nations, European Union, and United States to impose sanctions against some perpetrators of violence. While such a broad multilateral effort is usually a plus for sanctions effectiveness, the sanctions have been few in number and poorly enforced.<sup>266</sup> An agreement signed in February 2019 in Khartoum between the CAR government and 14 armed groups brought the five-year crisis to a temporary and precarious lull, but was the eighth such agreement since the war began, and its prospects look bleak.<sup>267</sup> The sanctions experts The Sentry spoke to all questioned whether sanctions were effectively contributing to achieve peace efforts and support justice in a country

structurally ruled by a failed state. In fact, the sanctions themselves do not appear to have been effective. The United Nations does have a significant peacekeeping force in the country, but experts agree that the mission has been failing to accomplish its primary mandate, which is the protection of civilians. Instead, the United Nations is seen by some as part of the problem rather than a solution to the crisis.

The crisis began when a coalition of armed groups and regional militias, known as the Séléka, began capturing towns in 2012, and eventually the capital city of Bangui in March 2013; the Séléka leader Michel Djotodia declared himself president.<sup>268</sup> An alliance of local militia groups supported and trained by former presidential guards, known as the anti-balaka, formed to counter the Séléka. What was a fight between armed groups defending political and economic interests quickly turned into intercommunal violence between religious communities. The Séléka, although not a religious group, was predominately Muslim, and the anti-balaka militias were largely Christian and animist.<sup>269</sup> The fighting between the two resulted in some of the worst mass violence seen in the 21st century. Djotodia was replaced as president in 2014 and the Séléka was disbanded, but sectarian violence continued, and by the end of 2014, CAR was de facto partitioned, with various militia groups controlling different sections of the country.<sup>270</sup> Many of the groups that composed the Séléka regrouped to become what is known as the ex-Séléka.<sup>271</sup> By 2015, more than one million people had fled their homes, out of a total population of 4.5 million.<sup>272</sup> The country was suspended from the Kimberley Process in 2013, and—despite the fact that the government does not control territory beyond Bangui—much of its international diplomatic efforts since have been devoted to regaining the full ability to export diamonds without restriction, and to obtain a lifting of the arms embargo.<sup>273</sup>

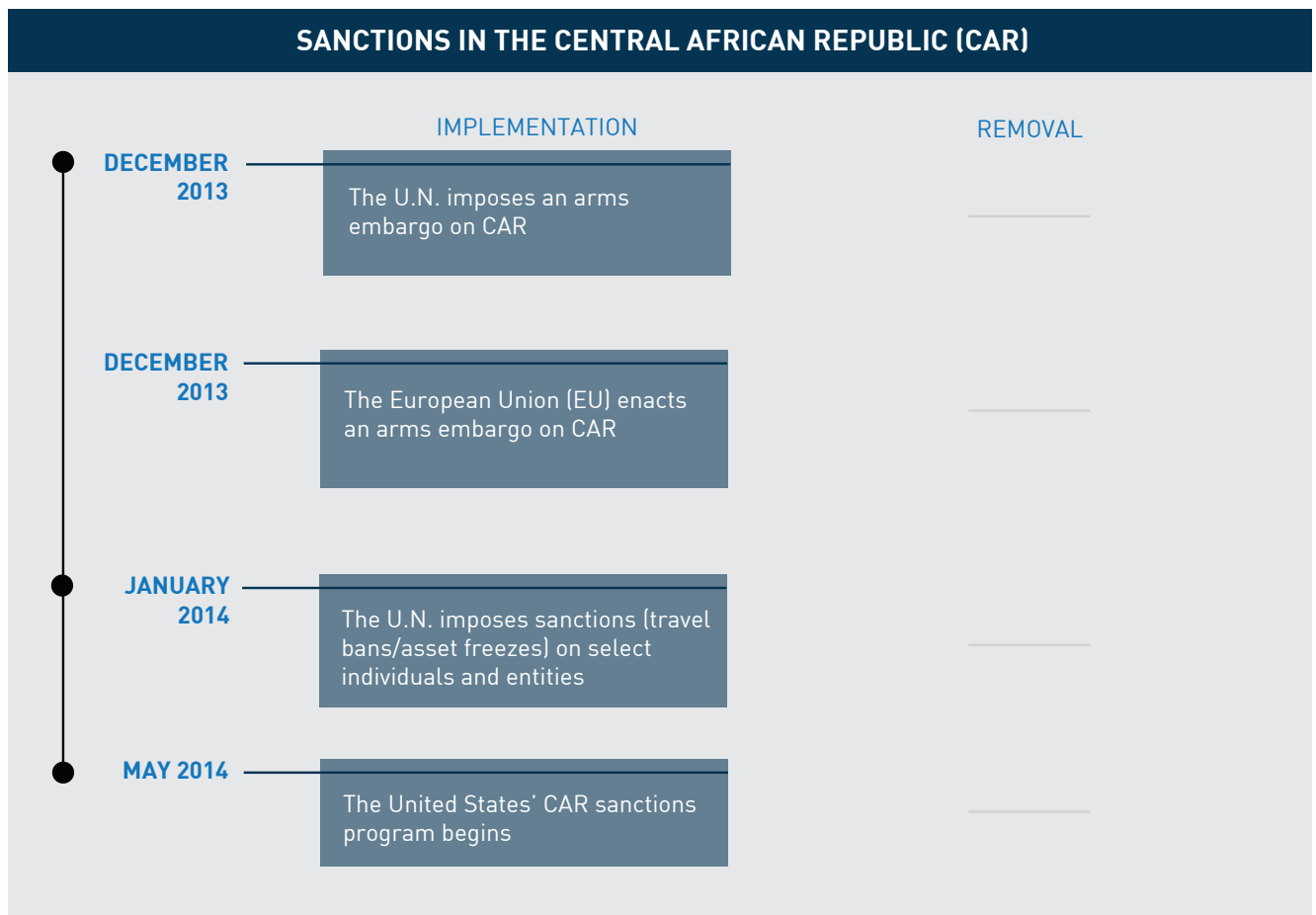
In March 2013, the African Union's Peace and Security Council called for negotiations between the factions, ramping up the pressure by imposing travel bans and asset freezes on seven individuals responsible for





violence. The Peace and Security Council called “upon all member states to take the necessary measures to completely isolate the perpetrators of the unconstitutional change in the CAR, to deny them any sanctuary and cooperation, as well as to facilitate the implementation of any other measures that would be taken by the AU.”<sup>274</sup> Similarly, in December of that year, the UNSC adopted Resolution 2127, which imposed an arms embargo. The European Union implemented the arms embargo a few days later. In January 2014, the UNSC adopted Resolution 2134, imposing sanctions on individuals and entities that undermine the peace, stability, or security of the country, or that threaten or impede the political transition process, or fuel violence.<sup>275</sup> The United Nations also established the U.N. Multidimensional Integrated Stabilization Mission in the Central African Republic (MINUSCA), a peacekeeping operation that remains today with over 15,000 peacekeepers and staff.<sup>276</sup> The United Nations has since designated 11 individuals and two entities under this authority.<sup>277</sup> Earlier this year, the UNSC extended the sanctions through January 2020, although the council did note that the CAR government had made significant progress in advancing reforms in the security sector, including adopting a National Defense Plan and a National Security Policy.<sup>278</sup>

The United States took action several months after the United Nations, after intense interagency debate in Washington over how to respond to the worsening crisis in CAR. Like Burundi, CAR has not historically been a high foreign policy priority for the U.S. government. With the United Nations already involved and a peacekeeping force in place, U.S. officials eventually agreed that the desire to “do something” would be



easiest fulfilled with a sanctions program.<sup>279</sup> In May 2014, then President Obama signed E.O. 13667 imposing sanctions on CAR, citing “a breakdown of law and order, intersectorian tension, widespread violence and atrocities, and the pervasive, often forced recruitment and use of child soldiers, which threatens the peace, security, or stability of the Central African Republic and neighboring states.”<sup>280</sup> Over the next year, the United States added names of individuals from both sides of the conflict to the Specially Designated Nationals (SDN) list.<sup>281</sup> According to a former senior Treasury official, “There was a desire to show balance. It was a very conscious decision not to have the U.S. government taking sides, to focus the message as the U.S. wanting to see the end of the violence.”<sup>282</sup> This action was repeated in 2017 with two additional names.<sup>283</sup>

Some officials The Sentry spoke to questioned whether sanctions were the best tool to use in this case. CAR has a largely cash-based economy, and very few of the designated militia leaders held bank accounts outside of local banks.<sup>284</sup> How impactful could financial sanctions really be in that scenario? Others questioned the policy goal; how did the United States expect to bring peace to CAR through sanctions?<sup>285</sup> Proponents of sanctions contended that the strategy was an effective one: while militia leaders may not have had bank accounts, the public shaming of those responsible for extreme violence and human rights abuses would send a strong message.<sup>286</sup> The sanctions went forward. However, the sanctions program subsequently seemed to receive scant attention from leadership, and to date only 16 individuals, two companies, and one group have been designated.<sup>287 288</sup> The stigma associated with sanctions, though, has had somewhat of an impact. According to a U.N. official interviewed by The Sentry, some sanctioned individuals are finding it difficult to create coalitions and are thereby struggling to effectively negotiate with the other parties during the peace processes. Sanctions have also given the United Nations some leverage over the designated individuals during peace negotiations.<sup>289</sup>

In January 2018, the UNSC expanded the criteria for imposing targeted sanctions in CAR to those individuals and entities that incite violence, especially sectarian violence, and that are recognized as a major threat to peace.<sup>290</sup> However, no new sanctions have been imposed on CAR by the United Nations or the United States since 2017, despite continued violence throughout 2018.<sup>291</sup> This may be because of the difficulties of enforcing the existing sanctions. U.N. travel bans and arms embargoes have been repeatedly violated. Former President François Bozizé, for example—sanctioned by the United Nations and United States for his role in the conflict—has traveled extensively in Africa and Europe since his 2014 designation.<sup>292</sup> Reports by the U.N. Panel of Experts on CAR have cited dozens of additional sanctions violations and poor enforcement on the part of U.N. member states in the region and elsewhere.<sup>293</sup> According to a U.N. official, there is a capacity issue that precludes neighboring states’ ability to enforce travel bans; with such large, porous borders, it is very difficult for neighboring states to prevent designated individuals from traveling.<sup>294</sup>

A small success came in 2017: the government of Chad announced in June that it intended to freeze assets belonging to Abdoulaye Hissène, designated by the United Nations and United States in 2014 for inciting violence.<sup>295</sup> It is thought that much of the militia leaders’ wealth is held outside CAR in neighboring countries.<sup>296</sup> Although the decision was welcomed by the international community, its impact was limited. The accounts identified by the Chadians had been inactive since 2016, and some banks in Chad refused to collaborate or provide additional information.<sup>297</sup>

While the sanctions were not successful from a financial standpoint and did not effectively squeeze the assets of perpetrators of mass atrocities, they did help bring attention to what had been a forgotten conflict.



The sanctions also focused the international community's attention on the CAR crisis and may have ensured that more humanitarian resources reached the country. The sanctions also symbolically showed that the international community condemned the violence and demonstrated solidarity with the people of CAR. Besides enforcing existing sanctions, how else could the international community better use the sanctions tool in the case of CAR? One way is to find a network that is profiting or benefiting from the violence, and develop targeted sanctions against the entire network. Take the Badica and Kardiam designations, for example. Both the United States and United Nations designated these two companies in 2015 for facilitating the blood diamond trade in CAR.<sup>298</sup> While this was a positive step, they are the only companies designated by either the United Nations or United States to date, and so did not impact CAR's lucrative illicit diamond trade. The effort to shut down a major network fueling the conflict should have been expanded to the companies' owners, the individuals who worked there and interacted directly with the Séléka armed group, and any other companies that are involved in the illicit diamond trade. A UN Panel of Experts' report suggested that most of the country's diamond wealth continues to be exported illegally, particularly from ex-Séléka-held regions in northeastern CAR.<sup>299</sup> According to the report, "Diamond trafficking continues to be a source of revenue for armed groups and their leaders."<sup>300</sup> Targeting these networks is important because while rebel groups are going to be demobilized under the peace agreement, continued access to lucrative resources like diamonds will ensure that continuing the conflict will be more financially rewarding than peaceful disarmament. Even with promised job training or military integration, rebel soldiers are unlikely to make anywhere near the amount of money they can earn from trafficking illicit resources. Beyond those who profit from diamonds, there are likely numerous other actors who are benefiting from the conflict because it creates opportunities for illicit trade: "Competitions over mineral resources, cattle migration routes, and trade have been key drivers of conflict."<sup>301</sup> Targeting the networks that are benefiting from violence through sanctions could be an effective use of sanctions to address the ongoing crisis and give peace a chance.



## Democratic Republic of Congo



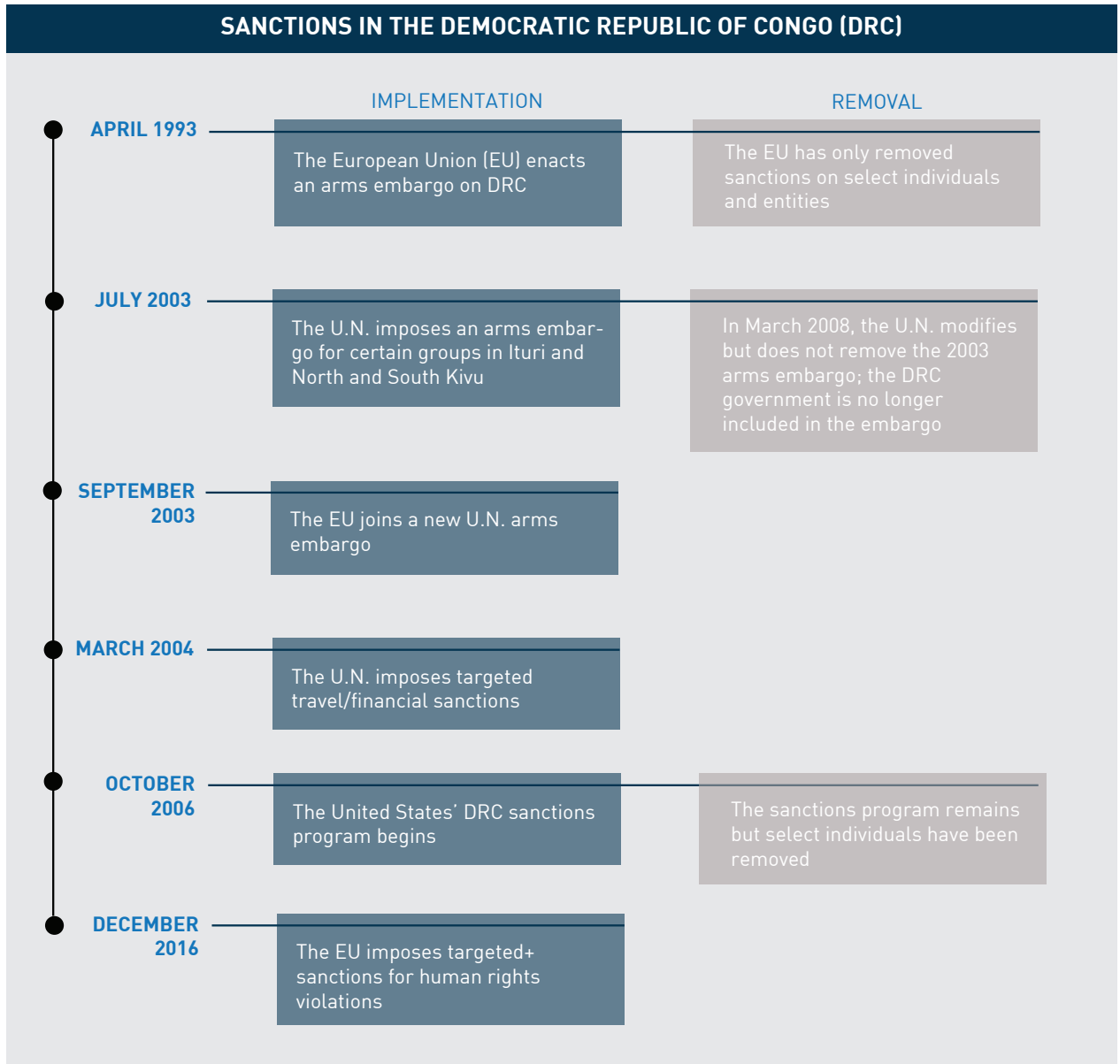
Conflict has consumed eastern Democratic Republic of Congo since the early 1990s, escalating significantly following the Rwandan genocide in 1994. During and after the genocide, millions of refugees fled to neighboring Zaire, today's Democratic Republic of Congo (Congo); as of December 2018, 4.5 million Congolese people have been internally displaced. The refugee camps served as de facto army bases for the exiled perpetrators of genocide from Rwanda who terrorized the local population until Zaire's president, Mobutu Sese Seko, issued an order forcing the Rwandans out of Zaire in November 1996. This led to the First Congo War and the eventual overthrow of President Mobutu. Zaire was renamed as Democratic Republic of Congo, and Laurent-Désiré Kabila took over as president.<sup>302</sup> Despite

the new government, eastern Congo did not stabilize, and the joint Rwanda-Uganda-Kabila force that fought together quickly dissolved. Rwanda and Uganda invaded eastern Congo in 1998, starting the Second Congo War.<sup>303</sup> A ceasefire deal as known as the Lusaka Agreement was signed in 1999 and established the U.N. Mission in the Congo (MONUC), and 5,000 U.N. peacekeepers were sent to monitor the situation.<sup>304</sup> After five years of fighting and the assassination of President Kabila, peace accords were finalized in 2003 between Joseph Kabila, Laurent's son, and Rwanda and Uganda. In 2006, Congo held its first democratic election in 40 years, with Joseph Kabila winning the presidency.<sup>305</sup> He established an entrenched regime that thrived on corruption and patronage.<sup>306</sup> These dynamics built on centuries of structured violence and exploitation by outsiders.

The European Union first imposed an arms embargo on Congo in 1993, and sanctions have been levied on the country by myriad actors ever since, mainly due to a continuation of violence, human rights abuses by both government entities and rebel groups, and government corruption. In the wake of continued rebel activity and in an effort to support the peace agreement, the United Nations joined the EU arms embargo in 2003, directing all member states to prevent the direct or indirect supply, sale, or transfer of arms to foreign and Congolese troops, as well as militias and rebels operating in North/South Kivu and Ituri.<sup>307</sup> By 2006, the United Nations had expanded sanctions to include targeted travel bans and asset freezes for designated individuals. The United Nations' Sanctions Committee for Congo continued to monitor the violence and conflicts, recommending that additional individuals responsible be added to U.N. sanctions lists. In the United States, the George W. Bush administration imposed its first economic sanctions through E.O. 13413, "Blocking Property of Certain Persons Contributing to the Conflict in the Democratic Republic of Congo."<sup>308</sup> In total, the United States added 23 individuals and 11 groups or companies to the Congo sanctions program between 2007 and 2014. Unfortunately—and despite the efforts of the international community—the violence



continued. Despite the constitution preventing him from serving more than two terms, President Kabila indicated in 2016 that he had no intention of stepping down from power and delayed elections.



In 2014, eight years after the first executive order was signed, then President Obama expanded the U.S. government's sanctions authority with regard to the Congo via E.O. 13671, "Taking Additional Steps to Address the National Emergency with Respect to the Conflict in the Democratic Republic of the Congo." This new executive order added the ability to sanction those found to "undermine democratic processes or institutions."<sup>309</sup> However, the new executive order, like the first one, did not include a prong for corruption. Every sanction had to be tied to the election or violence. Throughout 2015 and 2016, discussions swirled in the hallways of the State Department, the Treasury Department, and the White House about a "corruption" or "human rights" executive order—something that could stand on its own and be used globally.



Between 2014 and 2017, human rights abuses continued to be reported around the country by both domestic and international NGOs, and the Congolese government violently cracked down on opposition groups, civil society organizations, youth activists, and some religious leaders, and also shut down independent media outlets.<sup>310</sup> The U.S. government continued to add names to the U.S. sanctions list from 2014 to the end

---

**For part of 2016, the Congolese government did appear to refrain from violently quashing protests, and the Obama administration considered the sanctions strategy to be working.**

---

of the Obama administration, with the intent to build pressure against President Kabila and to force democratic elections.<sup>311</sup> According to Jeanne Hruska, a former senior State Department official, “We did three rounds of sanctions in 2016 and we saw an impact; we were trying to stop the government crackdown on civil society, and the government needed to allow opposition groups to operate. We sent that message very clearly. We had their attention and we had new tranches of sanctions every couple of months.”<sup>312</sup> For part of 2016, the Congolese government did appear to refrain from violently quashing protests, and the Obama administration considered the sanctions strategy to be working. Prodemocracy protests in late September 2016—ahead of the scheduled and constitutionally mandated deadline for elections—were violently suppressed, which caused some to question if sanctions worked as “deterrence may be of limited duration or scope.”<sup>313</sup> However,

the strategy of sustained international pressure against the regime through multiple rounds of sanctions—coupled with strong and consistent messaging and multilateral cooperation—seemed like a recipe for success to several current and former officials interviewed by The Sentry.

## U.N. Congo Sanctions Process

One reason the sanctions were more effective was that the U.S. government prioritized Congo in its African affairs policy and worked to get multilateral consensus on sanctions actions with the European Union and the UNSC. Full collaboration with both, however, proved difficult. In the EU context, Italy, Greece, Spain, and Portugal were skeptical of economic sanctions in general and required convincing to lend their support at the United Nations.<sup>314</sup> In addition, the U.S.-Russia relationship had soured, making it difficult to push new Congo sanctions through the UNSC.<sup>315</sup> African states have historically been wary of sanctions during their rotations on the council. Without their vote, it was nearly impossible to build consensus on Congo sanctions across the UNSC.<sup>316</sup>

In early 2017, the French government approached the United States with a list of Congolese individuals they wanted to see sanctioned through the UNSC. The list was passed around various U.S. government agencies for months before the United States agreed to support it, but by that time President Emmanuel Macron had won the election; the French government’s policy toward Congo was changing, and it no longer wanted to lead the charge. The United States decided to take the list to the UNSC itself, and, surprisingly, new sanctions were passed in February 2018 with no objection from Russia and China.<sup>317</sup> This may have scared President Kabila and encouraged his administration to hold elections.<sup>318</sup>

On March 12, 2017, two U.N.-dispatched Congo sanctions monitors, Michael Sharp and Zaida Catalán, as well as four Congolese nationals who were working with them, were murdered in Congo while investigating





mass atrocities in Kasai. The U.N. sanctions monitors reported that Congo's investigation into the murders—to which U.N. experts were tasked with assisting and with which the Congolese security services interfered<sup>319</sup>—found that actors within the Congolese government may have conspired to murder the two U.N. workers.<sup>320</sup> The targeting of sanctions monitors might suggest the government was concerned about having additional sanctions added, which could indicate that sanctions were effective in causing some economic pain for the Kabila regime. In June 2017, the UNSC extended existing sanctions for another year, including the arms embargo, asset freezes, and travel bans, and expanded those sanctions to cover individuals and entities engaging in attacks against U.N. peacekeepers or U.N. Panel of Expert members.<sup>321</sup> The European Union also added sanctions against Congolese officials—including the intelligence chief, interior minister, and several army commanders—in mid-2017 for human rights violations, largely in response to the violent crackdown on the prodemocracy protesters in late 2016.<sup>322</sup> In 2018 the UNSC added General Muhindo Akili Mundos, a Kabila ally and military commander, to the sanctions list, identifying him as responsible for massacres in eastern Congo.<sup>323</sup>

According to information available to The Sentry, this confluence of pressure had a psychological impact and caused many in President Kabila's entourage, including financial facilitators, to grow concerned that they would be subject to sanctions. The UNSC's use of sanctions targeting President Kabila's closest associates alarmed him, and, combined with other actions by the United States and EU member states, may have contributed to his decision to step down as president at the end of 2018.

## U.S. Congo Sanctions Process

In the United States, there were lively debates between government agencies over whom to target and how far to take the sanctions aimed at stopping atrocities and forcing President Kabila to step down. Some at the State Department were worried about de-risking and the prospect of a banking crisis possibly triggering a widespread humanitarian crisis, particularly because of Congo's highly dollarized economy. Obama administration officials felt the strategy of continuous tranches was working, but timing was always a question. Treasury's staff assigned to Congo was miniscule compared to other programs, like Iran, and building sanctions packages takes time. The U.S. government was also forced to rely more heavily on information from civil society and media reports because of scant intelligence collection in the region, and getting timely information for more effective sanctions actions was tricky. This is yet another example of how limited intelligence collection can hamper sanctions effectiveness. A new tranche was planned for February 2017, just after the Trump administration took over. By that time, the strongest voices in favor of sanctions, mostly Obama political appointees, had left government service. Many of the sanctions experts The Sentry spoke with had the perception that career bureaucrats within the State Department are generally more risk averse than political appointees, particularly when it comes to coercive actions like economic sanctions. With the loss of so many political appointees, and a new administration with different priorities, momentum was lost. President Kabila continued to stall on elections.

Current and former administration officials told The Sentry that it was Nikki Haley, U.S. Ambassador to the United Nations from January 2017 to December 2018, who took a fierce interest in Congo and tried to continue the pressure against the Kabila regime. In a visit to Congo in October 2017, she pressured the government to hold elections by the end of 2018. She directed staff to build a strategy by constructing a timeline of events



that the United States wanted to see happen in Congo—including on-time elections and decreased violence in eastern Congo—and attaching consequences, particularly sanctions, to missed deadlines. However, officials told us that Haley’s office and the relevant State Department and Treasury offices struggled to implement those consequences when deadlines were missed due to staff shortages and competing priorities.<sup>324</sup> Other officials suggested the consequences identified through this process were ineffective, and officials found it difficult to identify specific consequences that President Kabila cared about.<sup>325</sup>

## Global Magnitsky Human Rights Sanctions Authority

The legal authorities of U.S. sanctions programs stem from executive orders or Congressional legislation, and are implemented by OFAC, an office teeming with lawyers and one that prides itself on rarely making mistakes. Sanctions are also carefully reviewed by the legal teams at the Justice Department and State Department before being imposed to ensure precision and accuracy and to maximize effectiveness. The rigidity of most U.S. sanctions programs was a major reason why senior Obama administration officials debated creating some sort of global executive order that would give the government more flexibility with sanctions, particularly the flexibility to tackle complex issues like human rights abuses, corruption, and civil unrest. Opposition to this type of executive order came mostly from within the Treasury Department—some Treasury officials believed its global nature could be used for political reasons not tied to broader strategy, and questioned whether sanctions, as a blunt foreign policy tool, were best suited to combat human rights abuses.

---

**The Global Magnitsky Act allows the United States to use a scalpel to tackle tough issues around the world, rather than the hammer of a country-specific sanctions program.**

---

In late 2016, Congress passed the Global Magnitsky Human Rights Accountability Act, named for Russian whistleblower and lawyer Sergei Magnitsky, who was tortured and died in prison in Russia in 2009. The Global Magnitsky Act established the authority to implement economic sanctions and visa bans on a global scale against corrupt actors and human rights abusers. This sanctions authority allows the United States to use a scalpel to tackle tough issues around the world, rather than the hammer of a country-specific sanctions program. The Global Magnitsky sanctions authority identifies individuals as war criminals or corrupt actors, unlike other sanctions programs that identify individuals as destabilizers of peace. The Kabila regime perfected methods of siphoning off public

revenue over the years. President Kabila and his family amassed enormous wealth, likely worth hundreds of millions of dollars; the family’s network owns or controls dozens of companies in Congo, and they essentially control the mining, energy, and telecom industries in the country.<sup>326</sup> Journalists and activists tracking Kabila family corruption called on the United States to use the Global Magnitsky authority and sanction those enabling the corrupt practices.<sup>327</sup> On December 21, 2017, the Treasury Department announced it was using the new Global Magnitsky sanctions authority to designate Dan Gertler, an international businessman and billionaire whose fortune derives from hundreds of millions of dollars’ worth of opaque and corrupt mining and oil deals in Congo. The designation was based on the Department’s determination that Gertler, a close friend to President Kabila, had acted as his middleman for the sale of mining assets; assets were severely underpriced and sold to offshore companies linked to Gertler, leading Congo to lose billions in public revenue.<sup>328</sup>



The effects of the Global Magnitsky sanctions were immediate. Just weeks after they were announced, Randgold, Congo's largest gold operator, said it would stop providing services to Gertler's gold mining company.<sup>329</sup> According to Under Secretary Mandelker, "The Gertler sanctions were more impactful because Congo is a highly dollarized economy, and we were able to target the network's financial facilitators, sending a strong message to President Kabila."<sup>330</sup> However, according to published reports, Gertler has continued to receive millions of dollars in contractual payments from Glencore, a multinational trading and mining company based in Switzerland, by making sure he is paid in euros instead of dollars, thus avoiding the reach of U.S. sanctions enforcement.<sup>331</sup> The European Union is currently in the process of developing a similar sanctions program to the U.S. Global Magnitsky authority, but in the meantime, the Gertler situation is a major challenge to sanctions enforcement.<sup>332</sup> Regardless, in June 2018 the United States followed up with more sanctions against 14 Gertler-affiliated entities, and one Kabila family member was targeted by a State Department visa ban.<sup>333</sup>

After 18 years in power, President Kabila indicated his intention to step down in late 2018, as he was constitutionally mandated to do, by naming a candidate to run for his recently formed loose political coalition. Even so, the election was mired in controversy, with questionable voting machines, missing funds, accusations of bribery, and more delays marring the validity of the results.<sup>334</sup> While Felix Tshisekedi was declared the winner, data released in the weeks following the election demonstrated that opposition candidate Martin Fayulu had actually won the election by a significant margin.<sup>335</sup> This raised concerns that Congo's electoral commission, the Commission Electorale Nationale Indépendante (CENI), had cooked the results.<sup>336</sup> The United States designated several senior election officials in the aftermath of the election, but the sanctions were not related to the election results. Instead, the sanctions were for corruption tied to the embezzlement of funds that were supposed to be used to carry out elections.<sup>337</sup> In the press release announcing the sanctions, however, the Treasury Department stated that it remained "concerned about a flawed electoral process in which, following the presidential election, CENI continued to obstruct the democratic process and failed to ensure the vote reflected the will of the Congolese people."<sup>338</sup> The press release cast doubt on the election result, but the sanctions were not tied to the election result itself. The effect of those sanctions is too early to determine, but mixed messaging from the U.S. government is not likely to improve their efficacy.<sup>339</sup>

The U.S. and U.N. Congo sanctions programs, like so many other sanctions programs in Africa, have suffered from inconsistent strategies and implementation that have likely made them less effective than they could have been. However, though the Congolese elections in December 2018 experienced irregularities, the fact that they were held at all means that some success can be attributed to the use of targeted sanctions by the UNSC and the U.S. government. In addition, the use of the Global Magnitsky authority to tackle a complex system of systemic state capture opens new avenues for future creative sanctions in Congo and elsewhere in Africa. In the future, U.S., U.N. and EU sanctions strategies for Congo would benefit from more staffing, more resources, better enforcement, steady messaging, and unfailing attention to ensure consistent pressure is applied, particularly pertaining to how violent arms groups are funded and continued government corruption.



## Conclusions

---

Sanctions can certainly be an effective tool, even when used to address civil war and human rights violations, but sanctions programs in Africa too often are poorly maintained, are not managed or enforced, and have not been expansive enough to make a real difference. Using the information acquired through first-hand interviews and extensive research, The Sentry developed a set of recommendations for how to improve the impact of sanctions, from the design of a program to implementation and enforcement. With some improvement on strategy development, communication, and enforcement, and when combined with other foreign policy tools such as diplomacy, humanitarian aid, and technical assistance, sanctions could be far more effective in Africa.

### Recommendations to Improve Sanctions Effectiveness

#### a. Overall Recommendations

- i. **Network Sanctions:** Sanctions must be levied against entire networks that enable authoritarian regimes to oppress civil society, not just the individuals committing the abuses. Deploying these “network sanctions” has been a strategy used by the United States in the cases of Iran, Russia, and North Korea in order to drive them to the negotiating table. While network sanctions have been employed to a small extent in South Sudan and Congo, their use should be greatly expanded, as they have the potential to effect change in Africa.
- ii. **Improve Messaging:** Too often, the messaging that accompanies sanctions insufficiently explains the goals and rationale of the program and whether sanctions can be lifted should poor conduct change. This is a problem facing the United States, European Union, and United Nations because a lack of clear messaging can allow those targeted by sanctions to produce counternarratives to confuse the intent of employing these financial measures. Poor messaging can also increase the likelihood of de-risking, as financial institutions may find it difficult to understand the background or rationale for the sanctions programs. To improve messaging, the parties issuing sanctions should take time prior to the implementation of sanctions to develop a communications strategy. The strategy should include public messaging to reach the people of the impacted country and region, as well as direct messaging through diplomacy to the bad actors whose behavior the sanctions action is trying to change. The messaging should also be coordinated across diplomatic missions to ensure the international community’s overarching goal is clearly articulated to all parties involved in the crisis. Messaging is also heavily affected by the timing of sanctions imposition. Sanctions should not be reactive—levied in response to a crisis generating the perception that the international community needs to act immediately or



even because no other tools seem as easy or low cost to employ. Rather, messaging can be stronger and more effective when sanctions are used as a proactive tool to reinforce broader foreign policy strategy.<sup>340</sup>

- iii. **Improve Regional Collaboration:** Neighbors are always affected in some way when a country is in crisis. It is imperative for the international community to work with crisis-adjacent countries, particularly when implementing a sanctions program. To be effective, the sanction has to be enforced, and therefore must be clearly understood by neighboring countries. By fostering open communication with neighbors, information will flow more freely between the international community and regional partners, potentially providing valuable information that can be used to measure sanctions effectiveness.

**b. United States:**

- i. **Prioritize a Multilateral Effort:** The U.S. government should prioritize the effort to impose multilateral sanctions instead of unilateral actions. As Robert Fowler, former Canadian diplomat and U.N. permanent representative, told *The Sentry*, “Unilateral sanctions are not legitimate, and it doesn’t matter if they work or not. Unilateral sanctions weaken the legitimacy of sanctions and therefore weakens their power over time.”<sup>341</sup> This effort is primarily handled by the State Department and the Office of the U.S. Ambassador to the United Nations. If the UNSC is unable or unwilling to join a sanctions action, the United States should work with regional partners. Without international support, sanctions are unlikely to be effective.
- ii. **Increase Use of Global Magnitsky:** The United States should impose sanctions on individuals responsible for corruption and human rights abuses in Sudan and CAR, pursuant to its Global Magnitsky sanctions authority, and levy additional Global Magnitsky sanctions in South Sudan and Congo. The United States should identify and sanction responsible individuals in the regimes, as well as the corrupt networks to which they belong.
- iii. **Improve Intelligence Collection:** Africa is not a priority for the U.S. government—something that is particularly evidenced by staffing levels and investment in intelligence collection. In the Treasury Department’s intelligence office, for example, there are dozens of analysts working on Iran, North Korea, and counterterrorism. There is not one full-time analyst who focuses on Africa outside of the counterterrorism context. When discussing priorities, the usual policy response is: “If you want to add a new topic to your priority list, you must pick a previous priority to remove from your list.” Instead of reprioritizing the entire realm of threats to U.S. national security, one solution would be for the U.S. government to ensure there is staff identified to maintain existing sanctions programs in Africa. On intelligence collection, the U.S. government could get creative and utilize those already in the field passively collecting information—such as civil society groups, NGOs, and others—informing them of specific intelligence gaps that, if filled, could help develop new sanctions programs or enforce existing ones. Utilizing the shared NGO and U.S. government goals of combating corruption, violence, and human rights violations to share actionable intelligence could be a force multiplier and produce results with limited additional resources. Under Secretary Mandelker told *The Sentry*, “The biggest challenge





to developing and implementing network sanctions is obtaining information on targets. Credible information from NGOs can be very helpful in that regard.”<sup>342</sup>

- iv. **Visa Bans:** The Global Magnitsky Act authorizes the United States to impose visa bans on selected individuals for violations of international human rights standards. This tool has only been used a few times in Africa. The State Department should also make more aggressive use of its ability to impose visa bans for corruption outside the scope of the Global Magnitsky Act.
- v. **Train Those in the Field:** Sanctions play an important role in messaging and directly impact political and peace processes, but they also need to be crafted and announced to be technically impactful in order to move beyond messaging. Basic technical training for Foreign Service officers and ambassadors on sanctions implementation, enforcement, and the information needed to develop sanctions packages would not only be immensely helpful to the interagency coordination process, but could also allow U.S. embassies to more effectively contribute to the foreign policy formulation process. With training on sanctions, ambassadors and Foreign Service officers could recognize when a sanctions action would be more or less effective, and advise colleagues in Washington appropriately. Technical sanctions architects could receive similar training on the criticality of messaging and diplomacy. Unless diplomacy and technical sanctions work are better integrated, sanctions may not succeed because the design and execution are not optimized.
- vi. **Exit Strategies:** The United States should prioritize the development of an “exit strategy” for each new sanctions program. Each designation should be accompanied by a road map for how the designated entity could be delisted. Providing this information will improve understanding on the part of not only the sanctioned entity, but also the banks, companies, and governments working to implement the sanction. Additionally, each country program should have at least an internal strategy for rolling back the sanctions when certain criteria are met. This will help strengthen the program’s overall strategy and assist the government in maintaining the program as it ages.
- vii. **Other Tools:** The United States should expand the Burma Responsible Investment Reporting Requirements (RIRRs) beyond Myanmar to cover other countries, such as South Sudan, Sudan, and Zimbabwe. In addition, the Commerce Department has the ability to add entities to its “Entity List” by amending Export Administration Regulations (EARs). The Entity List identifies entities—including companies, government and private organizations, and individuals—who are believed to be involved, or pose a risk of becoming involved, in activities contrary to U.S. national security or foreign policy. Commerce has already used this tool to list 15 South Sudanese entities operating in the oil sector, as “they are a source of substantial revenue that, through public corruption, is used to fund the purchase of weapons and other material that undermine the peace, stability, and security of South Sudan rather than support the welfare of the South Sudanese people.”<sup>343</sup> Tools like the Entity List and the RIRRs can help advance U.S. sanctions strategy beyond targeting and delisting.

### c. European Union

- i. **Evidence Improvement:** The European Union should work to improve evidence that accompanies sanctions designations. Two-thirds of EU sanctions were overturned via





appeals at the European Court of Justice (ECJ) from 2010 to 2015, due to poor quality of evidence.<sup>344</sup> The ECJ has historically maintained a higher evidentiary standard for maintaining corruption-related designations than human rights designations. The number of successful delistings as decreased, but as of 2017 the delisting rate is still around one-third.<sup>345</sup> The U.S. government should also assist the European Union in improving evidence used for designations.

- ii. **Global Magnitsky:** The European Union is developing its own Global Magnitsky-style program, but according to information available to The Sentry, the program may not include “corruption” as a prong for sanctioning entities. The European Union should work to ensure corruption is included.
- iii. **Delisting Strategy:** Like the United States, the EU should also develop strategies for delisting specific entities at the time of designation. This information will assist the banks, companies, and governments working to implement and enforce the sanctions.
- iv. **Enforcement:** Like the United Nations, the European Union relies on member states to enforce sanctions. This has led to uneven enforcement. According to Tom Keatinge and Emil Dall of the Royal United Services Institute, “The European Union should work through its structural issues to create a more decisive and effective EU sanctions policy. The implementation and enforcement of sanctions at the member state level must be improved, and a formal EU-level sanctions body is needed to independently monitor compliance with sanctions across the European Union.”<sup>346</sup>

#### d. United Nations

- i. **Networks and Corruption:** The United Nations should focus on elite networks that facilitate corruption and state capture. These technically savvy networks make use of domestic and international facilitators to exploit the licit international financial system through money laundering, sanctions evasion, security sector fraud, disguised beneficial ownership, and offshoring of assets.<sup>347</sup> Sanctions effectiveness will not be improved until the international community goes after their networks. The United Nations should ensure corruption or corruption tied to conflict is included in new United Nations Security Council sanctions criteria and employed to modify existing programs.
- ii. **Enforcement:** U.N. sanctions are not enforced to an adequate degree. Poor enforcement of sanctions in African countries is common, unfortunately. To improve the effectiveness of existing sanctions, the United Nations should call on all member states to enforce the measures, and help those countries that are struggling to enforce the measures because of low capacity.
- iii. **Technical Assistance to Improve Compliance:** Sanctions compliance by member states is uneven around the world, and particularly poor in sub-Saharan Africa. To improve compliance, the United Nations should provide technical assistance to those member states that need help establishing their AML/CFT regimes, which would cover sanctions implementation and compliance.
- iv. **Secondary Sanctions on Noncompliant States:** When a U.N. member state fails to implement a U.N. sanction, it can be sanctioned by the UNSC. This action is hardly ever used or even threatened.<sup>348</sup> If by failing to implement a sanction a country was risking possible sanction themselves, there may be improvement in sanctions compliance.



## Endnotes

- 1 Based on an interview with Adam Szubin conducted by The Sentry in January 2019.
- 2 Cristiano Andrea Ristuccia, “The 1935 Sanctions Against Italy: Would Coal and Oil Have Made a Difference?” *European Review of Economic History* 4, 85–110 (2000), available at <http://www.jstor.org/stable/41377864>.
- 3 Robert Higgs, “How U.S. Economic Warfare Provoked Japan’s Attack on Pearl Harbor,” (Oakland, California: The Independent Institute, May 1, 2006), available at <http://www.independent.org/news/article.asp?id=1930>.
- 4 “Iraq Sanctions: What Have We Learned?” United States Institute of Peace, July 17, 2000, available at <https://www.usip.org/events/iraq-sanctions-what-have-we-learned>.
- 5 In late 2016, Congress passed the Global Magnitsky Human Rights Accountability Act, named for Russian whistleblower and lawyer Sergei Magnitsky, who was tortured and died in a Russian prison in 2009. The Global Magnitsky Act established the authority to implement economic sanctions and visa bans on a global scale against corrupt actors and human rights abusers. The Global Magnitsky sanctions authority identifies individuals as war criminals or corrupt actors, unlike other sanctions programs that identify individuals as destabilizers of peace.
- 6 J. D. Dashti-Gibson, “On the Determinants of the Success of Economic Sanctions: An Empirical Analysis,” *American Journal of Political Science*, 41(2), 608–618 (1997).
- 7 The United States also vetoes UNSC resolutions. The United States has repeatedly vetoed resolutions relating to Israel, for example. (Middle East Eye, “The 43 Times US Has Used Veto Power Against UN Resolutions on Israel,” December 18, 2-17), available at <https://www.middleeasteye.net/news/43-times-us-has-used-veto-power-against-un-resolutions-israel>.
- 8 Andrea Charron and Clara Portela, “The UN, Regional Sanctions and Africa,” *International Affairs*, Volume 91, Issue 6: 1369–1385 (6 November, 2015).
- 9 Andrea Charron and Clara Portela, “The UN, Regional Sanctions and Africa,” *International Affairs*, Volume 91, Issue 6: 1369–1385 (6 November, 2015).
- 10 Council of the European Union, “Basic Principles on the Use of Restrictive Measures,” Doc. 10198/1/04, June 7, 2004.
- 11 The sanctions imposed in CAR, Eritrea, Mali, and Somalia are U.N. sanctions that the European Union has implemented. The sanctions imposed in Burundi, Guinea, and Zimbabwe are imposed only by the European Union, not the United Nations. The sanctions in Congo, Guinea-Bissau, Sudan, and South Sudan are imposed by both the European Union and the United Nations. For additional information, please see <https://sanctionsmap.eu/#/main>.
- 12 “U.S. State Department Imposes Visa Ban on Several DR Congo Officials,” Reuters, June 22, 2018, available at <https://www.reuters.com/article/us-usa-congo-sanctions/u-s-state-department-imposes-visa-ban-on-several-drcongo-officials-idUSKBN1JI043>.
- 13 T. Wilson, “US Agrees on Talks to Remove Sudan From Terrorism List,” *Financial Times*, November 8, 2018, available at <https://www.ft.com/content/7b517520-e28f-11e8-a6e5-792428919cee>.
- 14 In May 2019, OFAC issued “A Framework for OFAC Compliance Commitments,” which is an effort to provide organizations with OFAC’s perspective on the essential components of a sanctions compliance program. The framework is available at [https://www.treasury.gov/resource-center/sanctions/Documents/framework\\_ofac\\_cc.pdf](https://www.treasury.gov/resource-center/sanctions/Documents/framework_ofac_cc.pdf).
- 15 “The Past Decade Has Brought a Compliance Boom in Banking,” *Economist*, April 29, 2019, available at <https://www.economist.com/finance-and-economics/2019/04/29/the-past-decade-has-brought-a-compliance-boom-in-banking>.
- 16 U.S. Department of Justice, “BNP Paribas Agrees to Plead Guilty and to Pay \$8.9 Billion for Illegally Processing Financial Transactions for Countries Subject to U.S. Economic Sanctions,” June 30, 2014, available at <https://www.justice.gov/opa/pr/bnp-paribas-agrees-plead-guilty-and-pay-89-billion-illegally-processing-financial>.
- 17 U.S. Department of the Treasury, Office of Foreign Assets Control, “Economic Sanctions Enforcement Guidelines,” November 9, 2009, available at [https://www.treasury.gov/resource-center/sanctions/documents/fr74\\_57593.pdf](https://www.treasury.gov/resource-center/sanctions/documents/fr74_57593.pdf).
- 18 U.S. Department of the Treasury, Office of Foreign Assets Control, “Publication of Burma General Licenses, Burma



- Removals, and Burma Designations,” May 17, 2016, available at <https://www.treasury.gov/resource-center/sanctions/OFAC-Enforcement/Pages/20160517.aspx>.
- 19 U.S. Department of State, “Burma Responsible Investment Reporting Requirements,” May 23, 2013, available at <https://2009-2017.state.gov/r/pa/prs/ps/2013/05/209869.htm>.
- 20 Based on an interview with Robert Fowler conducted by The Sentry in March 2019.
- 21 U.S. Department of the Treasury, “Treasury Releases New Format for OFAC’s Specially Designated Nationals List,” January 5, 2015, available at <https://www.treasury.gov/press-center/press-releases/Pages/jl9734.aspx>.
- 22 “Challenges and Trends in Identity Matching,” Deloitte, October 30, 2014, available at <https://www2.deloitte.com/content/dam/Deloitte/lu/Documents/risk/lu-challenges-trends-identity-matching-30102014.pdf>.
- 23 International Monetary Fund, “Recent Trends in Correspondent Banking Relationships - - Further Considerations,” March 16, 2017, available at <https://www.imf.org/~media/Files/Publications/PP/031617.ashx>.
- 24 Based on an interview with Samantha Sheen conducted by The Sentry in March 2019.
- 25 International Monetary Fund, “Recent Trends in Correspondent Banking Relationships - - Further Considerations,” March 16, 2017, available at <https://www.imf.org/~media/Files/Publications/PP/031617.ashx>.
- 26 Based on an interview with Richard Nephew conducted by The Sentry in February 2019.
- 27 Based on an interview with David Cohen conducted by The Sentry in January 2019.
- 28 Based on an interview with Robert Fowler conducted by The Sentry in March 2019.
- 29 Based on interviews conducted by The Sentry with current and former U.S. government officials in January–March 2019.
- 30 Based on an interview with David Mortlock conducted by The Sentry in March 2019.
- 31 Based on interviews conducted by The Sentry with current and former U.S. government officials in January–March 2019.
- 32 Joshua White, “Congress Should Staff Up the Office of Foreign Assets Control,” March 11, 2019, available at <https://www.lawfareblog.com/congress-should-staff-office-foreign-assets-control>.
- 33 Based on an interview with Jennifer Fowler conducted by The Sentry in March 2019.
- 34 Based on interviews conducted by The Sentry with current and former U.S. government officials in January–March 2019.
- 35 Based on an interview with David Cohen conducted by The Sentry in January 2019.
- 36 To review the formal process for delisting, please see OFAC’s page, “Filing a Petition for Removal from an OFAC List,” available at <https://www.treasury.gov/resource-center/sanctions/SDN-list/Pages/petitions.aspx>.
- 37 Based on interviews conducted by The Sentry with current and former Treasury officials, January–March 2019.
- 38 Based on an interview with Avril Haines conducted by The Sentry in March 2019.
- 39 Edoardo Saravalle, “When Is It Time to End Sanctions Programs?” Foreign Affairs, September 8, 2017, available at <https://www.foreignaffairs.com/articles/venezuela/2017-09-08/when-it-time-end-sanctions-programs>.
- 40 Based on an interview with Peter Kucik conducted by The Sentry in January 2019.
- 41 Based on interviews conducted by The Sentry with current and former Treasury officials in January–March 2019.
- 42 Office of Foreign Assets Control, U.S. Department of the Treasury, “Treasury Identifies the Venezuelan Defense and Security Sector as Subject to Sanctions and Further Targets Venezuelan Oil Moving to Cuba,” May 10, 2019, available at <https://home.treasury.gov/news/press-releases/sm685>.
- 43 Szubin, Adam, “Sanctions 101, Part II of II: Enforcement and Effects,” June 2, 2014, available at: <https://www.treasury.gov/connect/blog/Pages/Sanctions-101-Pt-2-.aspx>.
- 44 Based on an interview with David Cohen conducted by The Sentry in January 2019.



- 45 Based on an interview with Sigal Mandelker conducted by The Sentry in July 2019.
- 46 Based on an interview with Avril Haines conducted by The Sentry in March 2019.
- 47 Based on an interview with Adam Finck conducted by The Sentry in March 2019.
- 48 U.N. Security Council Resolution 1173, available at <http://unscr.com/en/resolutions/1173>.
- 49 U.N. Panel of Experts, "The Fowler Report," March 10, 2000, available at <https://www.globalpolicy.org/component/content/article/202/41606.html>.
- 50 Sumudu Atapattu and Andrea Schapper, *Human Rights and the Environment: Key Issues* (London: Routledge, 2019).
- 51 Global Policy Forum (Angola, January 2019), available at <https://www.globalpolicy.org/security-council/index-of-countries-on-the-security-council-agenda/angola.html>.
- 52 Based on an interview with Ian Smilie conducted by The Sentry in March 2019.
- 53 Based on an interview with Ian Smilie conducted by The Sentry in March 2019.
- 54 U.N. Panel of Experts, "Report of the Panel of Experts Appointed Pursuant to UNSCR 1306 in Relation to Sierra Leone," 2000.
- 55 U.N. Panel of Experts, "Report of the Panel of Experts Appointed Pursuant to UNSCR 1306 in Relation to Sierra Leone," 2000.
- 56 U.N. Panel of Experts, "Report of the Panel of Experts Appointed Pursuant to UNSCR 1306 in Relation to Sierra Leone," 2000.
- 57 UNSCR 1343, available at <http://unscr.com/en/resolutions/doc/1343>.
- 58 Todd Pittman, "U.N. Sanctions on Liberia Paving Peace in Sierra Leone, Rights Groups Say," Associated Press, October 13, 2001.
- 59 Alex Vines and Tom Cargill, "The Impact of UN Sanctions and Their Panels of Experts: Sierra Leone and Liberia," *International Journal*, Vol. 65, No. 1: 45–67 (2009–2010).
- 60 Alex Vines, "Testimony to the Committee on House International Relations Subcommittee on Africa," 2003.
- 61 UNSCR 1478, available at <http://unscr.com/en/resolutions/doc/1478>.
- 62 Robert McMahon, "UN Sanctions: A Mixed Record," Council on Foreign Relations, November 17, 2006, available at <https://www.cfr.org/background/un-sanctions-mixed-record>.
- 63 "Bush Calls Again for Charles Taylor's Departure From Liberia," Voice of America, July 2, 2003, available at <https://www.voanews.com/a/a-13-a-2003-07-02-15-bush/393819.html>.
- 64 Ofeibe Quist-Arcton, "Liberia: Charles Ghankay Taylor, Defiant and Passionate to the End," August 11, 2003, available at <https://allafrica.com/stories/200308111235.html>.
- 65 Marlise Simons and J. David Goodman, "Ex-Liberian Leader Gets 50 Years for War Crimes," *The New York Times*, May 30, 2012, available at <https://www.nytimes.com/2012/05/31/world/africa/charles-taylor-sentenced-to-50-years-for-war-crimes.html>.
- 66 For more information, see S/RES/1521, 2003, S/RES/1532, 2004, S/RES/1579, 2004, and S/RES/1626, 2005.
- 67 For details of those resolutions, see S/RES/1521, 2003, S/RES/1532, 2004, S/RES/1579, 2004, and S/RES/1626, 2005.
- 68 E.O. 13348, available at <https://www.federalregister.gov/documents/2004/07/27/04-17205/blocking-property-of-certain-persons-and-prohibiting-the-importation-of-certain-goods-from-liberia>.
- 69 "Welcome for US Liberia Deployment," BBC News, July 26, 2003, available at <http://news.bbc.co.uk/2/hi/africa/3097405.stm>.
- 70 "United States of America v. Viktor Bout," International Crimes Database, 2013, available at <http://www.international-crimesdatabase.org/Case/2240/Bout/>.
- 71 Noah Rosenberg, "Russian Weapons Trafficker Avoids Getting Life in Prison," April 5, 2012, available at <https://www>.



[nytimes.com/2012/04/06/nyregion/russian-arms-dealer-is-sentenced-to-25-years.html](https://www.nytimes.com/2012/04/06/nyregion/russian-arms-dealer-is-sentenced-to-25-years.html).

- 72 “Timber, Taylor, Soldier, Spy” Global Witness, June 15, 2005.
- 73 Sustainable Development Institute, available at <https://www.sdiliberia.org/>.
- 74 Alex Vines and Tom Cargill, “The Impact of UN Sanctions and Their Panels of Experts: Sierra Leone and Liberia,” *International Journal*, Vol. 65, No. 1 (Winter 2009).
- 75 Chenni Xu, “UN Lifts Liberia Timber Sanctions,” *Voice of America*, October 31, 2009, available at <https://www.voanews.com/a/a-13-2006-06-20-voa64/325269.html>.
- 76 “Liberia Sanctions,” *What’s in Blue*, December 9, 2013, available at <https://www.whatsinblue.org/2013/12/liberia-sanctions.php>.
- 77 U.S. Agency for International Development, “Liberia,” available at <https://www.usaid.gov/liberia>.
- 78 U.S. Department of the Treasury, “Issuance of Executive Order Terminating Liberia Sanctions Program,” November 12, 2015, available at <https://www.treasury.gov/resource-center/sanctions/OFAC-Enforcement/Pages/20151112.aspx>.
- 79 The White House Office of the Press Secretary, “Termination of Emergency With Respect to the Actions and Policies of Former Liberian President Charles Taylor,” November 12, 2015, available at <https://obamawhitehouse.archives.gov/the-press-office/2015/11/12/letter-termination-emergency-respect-actions-and-policies-former>.
- 80 Margaret Besheer, “UN Lifts Last of Liberia Sanctions,” *Voice of America*, May 25, 2016, available at <https://www.voanews.com/a/un-lifts-last-liberia-sanctions/3346055.html>.
- 81 For more information, see the following studies: a) Cynthia Chipanga and Torque Mude, “An Analysis of the Effectiveness of Sanctions as a Law Enforcement Tool in International Law: A Case Study of Zimbabwe from 2001 to 2013,” *Open Journal of Political Science*, 5, 291–310 (2015), available at [https://file.scirp.org/pdf/OJPS\\_2015102114012116.pdf](https://file.scirp.org/pdf/OJPS_2015102114012116.pdf); b) Mediel Hove, “The Debates and Impact of Sanctions: The Zimbabwean Experience,” *International Journal of Business and Social Science*, Vol.3, No. 5 (March 2012), available at [http://ijbssnet.com/journals/Vol\\_3\\_No\\_5\\_March\\_2012/8.pdf](http://ijbssnet.com/journals/Vol_3_No_5_March_2012/8.pdf); c) Judy Smith-Hohn, “Zimbabwe: Are Targeted Sanctions Smart Enough? On the Efficacy of International Restrictive Measures,” (Pretoria: Institute for Security Studies, June 4, 2010), available at <https://issafrica.org/research/situation-reports/situation-report-zimbabwe-are-targeted-sanctions-smart-enough-on-the-efficacy-of-international-restrictive-measures-judy-smith-hohn>; and d) Jan Grebe, “And They Are Still Targeting: Assessing the Effectiveness of Targeted Sanctions Against Zimbabwe,” *Africa Spectrum*, 45, 1, 3–29 (2010), available at [https://www.bicc.de/fileadmin/Dateien/Publications/other\\_publications/Africa\\_Spectrum/Africa\\_Spectrum\\_1\\_2010\\_Grebe.pdf](https://www.bicc.de/fileadmin/Dateien/Publications/other_publications/Africa_Spectrum/Africa_Spectrum_1_2010_Grebe.pdf).
- 82 Murithi Mutiga, “Why Zimbabwe Sanctions Boomerang,” *The New York Times*, November 7, 2013, available at <https://www.nytimes.com/2013/11/08/opinion/mutiga-why-zimbabwe-sanctions-boomerang.html>.
- 83 Based on an interview with Brian O’Toole conducted by The Sentry in February 2019.
- 84 David Stout, “Bush Orders Sanctions Imposed Against Leaders of Zimbabwe,” *The New York Times*, March 8, 2003, available at <https://www.nytimes.com/2003/03/08/world/bush-orders-sanctions-imposed-against-leaders-of-zimbabwe.html>.
- 85 “Zimbabwe Political Violence Increases,” *BBC News*, January 24, 2002, available at <http://news.bbc.co.uk/2/hi/africa/1780206.stm>.
- 86 E.O. 13288, available at <https://www.treasury.gov/resource-center/sanctions/Documents/13288.pdf>.
- 87 “EU Imposes Sanctions on Zimbabwe,” *The Guardian*, February 18, 2002, available at <https://www.theguardian.com/world/2002/feb/18/zimbabwe>.
- 88 Cynthia Chipanga and Torque Mude, “An Analysis of the Effectiveness of Sanctions as a Law Enforcement Tool in International Law: A Case Study of Zimbabwe from 2001 to 2013,” *Open Journal of Political Science*, 5, 291–310 (2015), available at [https://file.scirp.org/pdf/OJPS\\_2015102114012116.pdf](https://file.scirp.org/pdf/OJPS_2015102114012116.pdf).
- 89 “Zimbabwe Democracy and Economic Recovery Act of 2001,” Public Law 107-99-Dec. 21, 2001, available at <https://www.congress.gov/107/plaws/publ99/PLAW-107publ99.pdf>.
- 90 After independence in 1980, there was an effort to distribute land in an equitable manner to black farmers, inevitably





taking away land from Zimbabweans of European ancestry who had, before independence, enjoyed superior political and economic status. This reform effort was highly controversial. For more information, see Robert Palmer's, "Land Reform in Zimbabwe, 1980-1990," *African Affairs*, Vol. 89, No. 355, April 1990, pages 163-181.

- 91 "Political Instability in Zimbabwe," Council on Foreign Relations, March 5, 2015, available at <https://www.cfr.org/report/political-instability-zimbabwe>.
- 92 David Stout, "Bush Orders Sanctions Imposed Against Leaders of Zimbabwe," *The New York Times*, March 8, 2003, available at <https://www.nytimes.com/2003/03/08/world/bush-orders-sanctions-imposed-against-leaders-of-zimbabwe.html>.
- 93 Based on an interview with Brian O'Toole conducted by The Sentry in February 2019.
- 94 Patrick Dzimir, "Africa Multilateral Responses to the Crisis in Zimbabwe: A Responsibility to Protect Perspective," *Strategic Review for Southern Africa*, 63 (2017).
- 95 Stephen Chan, "What's Driving the Crisis in Zimbabwe?" *Foreign Affairs*, February 21, 2019, available at <https://www.foreignaffairs.com/articles/zimbabwe/2019-02-21/whats-driving-crisis-zimbabwe>.
- 96 "Zimbabwe's Economic Crisis Prompts Protests and Repression," *Economist*, January 19, 2019, available at <https://www.economist.com/middle-east-and-africa/2019/01/19/zimbabwes-economic-crisis-prompts-protests-and-repression>.
- 97 Chidochashe L. Munangagwa, "The Economic Decline of Zimbabwe," *Gettysburg Economic Review*, Vol. 3, Article 9 (2009), available at <https://cupola.gettysburg.edu/cgi/viewcontent.cgi?article=1021&context=ger>.
- 98 "Five Ways to Revive Zimbabwe's Economy," *BBC News*, November 17, 2017, available at <https://www.bbc.com/news/world-africa-42079584>.
- 99 E.O. 13469, available at <https://www.treasury.gov/resource-center/sanctions/Documents/13469.pdf>.
- 100 Fin24, "EU Broadens Zim Sanctions," July 22, 2010, available at <https://www.fin24.com/Economy/EU-broadens-Zim-sanctions-20080722>.
- 101 "Military Intervention Not Likely in Zimbabwe," *Voice of America*, November 2, 2009, available at <https://www.voanews.com/amp/a-13-2008-07-01-voa42/350760.html>.
- 102 Martin Russel, "EU Sanctions: A Key Foreign and Security Policy Instrument," (European Parliamentary Research Service, May 2018), available at [http://www.europarl.europa.eu/RegData/etudes/BRIE/2018/621870/EPRS\\_BRI\(2018\)621870\\_EN.pdf](http://www.europarl.europa.eu/RegData/etudes/BRIE/2018/621870/EPRS_BRI(2018)621870_EN.pdf).
- 103 Marc Lizoain, "Zimbabwe Sanctions Weaken Democracy," *The Guardian*, April 13, 2010, available at <https://www.theguardian.com/commentisfree/2010/apr/13/zimbabwe-sanctions-weaken-democracy>.
- 104 Peta Thornycroft, "EU Renews Sanctions Against Zimbabwe," *Voice of America*, February 15, 2011, available at <https://www.voanews.com/a/eu-sanctions-against-zimbabwe-renewed-116327609/157447.html>.
- 105 Between 2011 and 2019, only five entities were added to the United State's Zimbabwe list. More information available at <https://www.treasury.gov/resource-center/sanctions/OFAC-Enforcement/Pages/20140918.aspx>.
- 106 Ismail Akwei, "US Relaxes Sanctions Against Some Zimbabwean Individuals, Firms," *Africa News*, June 10, 2016, available at <https://www.africanews.com/2016/10/06/us-relaxes-sanctions-against-some-zimbabwean-individuals-firms/>.
- 107 Office of Foreign Assets Control, U.S. Department of the Treasury, "Treasury Sanctions Persons for Role in Undermining Zimbabwean Democracy," April 17, 2014, available at <https://www.treasury.gov/press-center/press-releases/Pages/ji2363.aspx>.
- 108 According to interviews with former Treasury officials conducted by The Sentry in January–May 2019.
- 109 Based on an interview with Marti Flacks conducted by The Sentry in January 2019.
- 110 U.S. Embassy in Zimbabwe, available at <https://zw.usembassy.gov/our-relationship/policy-history/>.
- 111 U.S. Department of State, "Zimbabwe's Elections," available at <https://www.state.gov/r/pa/prs/ps/2018/08/284915.htm>.
- 112 Some analysts say Mugabe's removal was orchestrated entirely by ZANU-PF leadership in an effort to prevent Grace Mugabe from getting more power from her husband. Bill Chappell, "Zimbabwe's Mugabe Out of Power For First Time





- Since 1980s as Military Takes Control,” NPR, November 17, 2017, available at <https://www.npr.org/sections/the-wo-way/2017/11/15/564320495/zimbabwes-mugabe-is-out-of-power-for-first-time-since-1980s-military-denies-coup>.
- 113 In an interview with Voice of America, former Ambassador Johnnie Carson, who was involved in the election observation process, said, “Some of the things we’ve observed, and we continue to observe, is that clearly there were some aspects of the election that were significant improvements over previous elections in Zimbabwe, but there were also some aspects of the election which did not come up to what we would regard as acceptable level.” Blessing Zulu, “Former Top U.S. Diplomat for Africa Picks Flaws in Zimbabwe Elections, But Accepts President,” Voice of America Zimbabwe, September 14, 2018, available at <https://www.voazimbabwe.com/a/former-top-us-diplomat-for-africa-picks-flaws-in-zimbabwe-elections-but-accepts-president/4570823.html#>.
- 114 “Zanu-PF Thanks ANC for Demanding the Removal of Sanctions Imposed on Zim,” NewsDay, January 31, 2019, available at <https://www.newsday.co.zw/2019/01/zanu-pf-thanks-anc-for-demanding-the-removal-of-sanctions-imposed-on-zim/>.
- 115 EU Council Decision (CFSP) 2019/284, available at [https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L\\_.2019.047.01.0038.01.ENG&toc=OJ:L:2019:047:TOC](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2019.047.01.0038.01.ENG&toc=OJ:L:2019:047:TOC).
- 116 The list is publicly available at <https://sanctionssearch.ofac.treas.gov/>.
- 117 “Trump Extends U.S. sanctions Against Zimbabwe by a Year,” Reuters, March 5, 2019, available at <https://www.reuters.com/article/us-usa-zimbabwe-sanctions/trump-extends-u-s-sanctions-against-zimbabwe-by-a-year-idUSKCN1QM01Q>.
- 118 Tendai Kamhungira, “Zanu PF Seething Over U.S. Sanctions,” Daily News, March 7, 2019, available at <https://www.dailynews.co.zw/articles/2019/03/07/zanu-pf-seething-over-us-sanctions>.
- 119 When compared with other OFAC programs, the Zimbabwe sanctions program saw relatively few enforcement actions.
- 120 OFAC enforcement information available here at [https://www.treasury.gov/resource-center/sanctions/CivPen/Documents/121211\\_HSBC\\_posting.pdf](https://www.treasury.gov/resource-center/sanctions/CivPen/Documents/121211_HSBC_posting.pdf).
- 121 OFAC enforcement information available at [https://www.treasury.gov/resource-center/sanctions/CivPen/Documents/20160208\\_barclays.pdf](https://www.treasury.gov/resource-center/sanctions/CivPen/Documents/20160208_barclays.pdf).
- 122 U.S. Department of the Treasury, Office of Foreign Assets Control, “U.S. Treasury Department Announces Settlement With Standard Chartered Bank,” Press Release, April 9, 2019, available at <https://home.treasury.gov/index.php/news/press-releases/sm647>.
- 123 “CBZ Bank Hit With US\$385m Penalty,” The Independent, October 27, 2017, available at <https://www.theindependent.co.zw/2017/10/27/cbz-bank-hit-us385m-penalty/>.
- 124 Fin24, “‘We Can’t Supply You With Dollars Anymore,’ SA Banks Tell Zim,” February 26, 2019, available at <https://www.fin24.com/Economy/Africa/we-cant-supply-you-with-dollars-anymore-sa-banks-tell-zim-20190226>.
- 125 Tawanda Musarurwa, “Embargoes Throttle Zim’s Financial System,” The Herald, available at <https://www.herald.co.zw/embargoes-throttle-zims-financial-system/>.
- 126 “US’s History of Sanctions Worldwide and How Zimbabwe Is Affected,” The Standard, May 2, 2019, available at <https://www.thestandard.co.zw/2019/05/02/uss-history-sanctions-worldwide-zimbabwe-affected/>.
- 127 For more information about de-risking, see The World Bank’s summary and analysis here: <http://www.worldbank.org/en/topic/financialsector/brief/de-risking-in-the-financial-sector>.
- 128 OFAC enforcement information available at [https://www.treasury.gov/resource-center/sanctions/CivPen/Documents/20160208\\_barclays.pdf](https://www.treasury.gov/resource-center/sanctions/CivPen/Documents/20160208_barclays.pdf).
- 129 Based on an interview with senior bank official conducted by The Sentry in January 2019.
- 130 According to interviews with former senior Treasury and State officials conducted by The Sentry in January–March 2019.
- 131 According to interviews with former senior Treasury and State officials conducted by The Sentry in January–March 2019.
- 132 David Brunnstrom, “Obama Announces Lifting of U.S. Sanctions on Myanmar,” Reuters, October 7, 2016, available at



<https://www.reuters.com/article/us-usa-myanmar-sanctions/obama-announces-lifting-of-u-s-sanctions-on-myanmar-idUSKCN127262>.

- 133 Based on an interview with Marti Flacks conducted by The Sentry in January 2019.
- 134 Officials under Clinton, Bush, and Obama all made various comments about regime change. This Daily Beast article by Justin Lynch, published January 9, 2019, outlines how the U.S. government discussed possibly supporting a military coup in 2012: available at <https://www.thedailybeast.com/why-is-sudans-genocidal-regime-a-cia-favorite>. In 2016, an Obama official said: “While most sanctions on Sudan are directed specifically to the conflict in Darfur and more recently that in Southern Kordofan and Blue Nile, it is generally recognized that without a political transformation in Sudan, these conflicts are unlikely to be resolved.” Princeton Lyman, “U.S. Sanctions Policy in Sub-Saharan Africa: Testimony Before the Senate Foreign Relations Subcommittee on Africa and Global Health Policy,” June 8, 2016, available at <https://www.usip.org/publications/2016/06/us-sanctions-policy-sub-saharan-africa>.
- 135 “Sudan,” Congressional Research Service, January 17, 2019, available at <https://fas.org/sgp/crs/row/IF10182.pdf>.
- 136 “EU Arms Embargo on Sudan,” Stockholm International Peace Research Institute, November 23, 2012, available at [https://www.sipri.org/databases/embargoes/eu\\_arms\\_embargoes/sudan](https://www.sipri.org/databases/embargoes/eu_arms_embargoes/sudan).
- 137 E.O. 13067, available at [www.treasury.gov/resource-center/sanctions/Documents/13067.pdf](http://www.treasury.gov/resource-center/sanctions/Documents/13067.pdf).
- 138 UNSCR 1591, available at <https://www.un.org/sc/suborg/en/sanctions/1591>.
- 139 UNSCR 1672, available at <https://www.un.org/press/en/2006/sc8700.doc.htm>.
- 140 U.S. Department of the Treasury, “Effectiveness of U.S. Economic Sanctions with Respect to Sudan,” January 2009, available at [https://www.treasury.gov/resource-center/sanctions/Documents/sudan\\_report\\_030509.pdf](https://www.treasury.gov/resource-center/sanctions/Documents/sudan_report_030509.pdf).
- 141 Based on interviews conducted by The Sentry with former U.S. government officials in January–March 2019.
- 142 Based on an interview with Sean Kane conducted by The Sentry in January 2019.
- 143 Based on an interview with senior bank official conducted by The Sentry in January 2019.
- 144 U.S. Department of Justice, “BNP Paribas Agrees to Plead Guilty and to Pay \$8.9 Billion for Illegally Processing Financial Transactions for Countries Subject to U.S. Economic Sanctions,” June 30, 2014, available at <https://www.justice.gov/opa/pr/bnp-paribas-agrees-plead-guilty-and-pay-89-billion-illegally-processing-financial>.
- 145 “The Past Decade Has Brought a Compliance Boom in Banking,” Economist, April 29, 2009, available at <https://www.economist.com/finance-and-economics/2019/04/29/the-past-decade-has-brought-a-compliance-boom-in-banking>.
- 146 “Sudan,” Congressional Research Service, January 17, 2019, available at <https://fas.org/sgp/crs/row/IF10182.pdf>.
- 147 “Why America Has Lifted Sanctions on Sudan,” Economist, October 10, 2017, available at [www.economist.com/the-economist-explains/2017/10/10/why-america-has-lifted-sanctions-on-sudan](http://www.economist.com/the-economist-explains/2017/10/10/why-america-has-lifted-sanctions-on-sudan).
- 148 For more information about the oil sector investments, see Phillip Manyok, “Oil and Darfur’s Blood: China’s Thirst for Sudan’s Oil,” Journal of Political Sciences & Public Affairs, 4:1 (2016), available at <https://www.omicsonline.org/open-access/oil-and-darfurs-blood-chinas-thirst-for-sudans-oil-2332-0761-1000189.php?aid=69390>.
- 149 “Why America Has Lifted Sanctions on Sudan,” Economist, October 10, 2017, available at <https://www.economist.com/the-economist-explains/2017/10/10/why-america-has-lifted-sanctions-on-sudan>.
- 150 Jérôme Tubiana and Claudio Gramizzi, “Tubu Trouble: State and Statelessness in the Chad-Sudan-Libya Triangle,” (Geneva: Small Arms Survey, June 2017), available at <http://www.smallarmssurveysudan.org/fileadmin/docs/working-papers/SAS-CAR-WP43-Chad-Sudan-Libya.pdf>.
- 151 Justin Lynch and Robbie Gramer, “How Two U.S. Presidents Reshaped America’s Policy Toward Sudan,” Foreign Policy, April 8, 2019, available at <https://foreignpolicy.com/2019/04/08/how-two-us-presidents-reshaped-americas-policy-towards-sudan-bashir-protests-calling-for-removal-diplomacy-east-africa-us-intelligence-cooperation/>.
- 152 Esfandyar Batmanghelidj and Nicholas Mulder, “Lifting Sanctions Isn’t as Simple As It Sounds,” Foreign Policy, April 15, 2019, available at <https://foreignpolicy.com/2019/04/15/lifting-sanctions-isnt-as-simple-as-it-sounds-sudan-iran-bashir-rouhani-obama-trump-jcpoa-reconstruction/>.
- 153 U.S. Department of State, “Transcript of a Press Briefing,” October 6, 2017, available at <https://www.state.gov/r/pa/prs/>



- [ps/2017/10/274678.htm](https://www.washingtonpost.com/world/national-security/us-lifts-sanctions-on-sudan-ending-two-decades-of-embargo/2017/10/06/aac1bd22-86d5-434e-9a21-1e0d57a72cb0_story.html?utm_term=.64557c274031).
- 154 Carol Morello, "U.S. Lifts Sanctions on Sudan, Ending Two Decades of Embargo," The Washington Post, October 6, 2017, available at [https://www.washingtonpost.com/world/national-security/us-lifts-sanctions-on-sudan-ending-two-decades-of-embargo/2017/10/06/aac1bd22-86d5-434e-9a21-1e0d57a72cb0\\_story.html?utm\\_term=.64557c274031](https://www.washingtonpost.com/world/national-security/us-lifts-sanctions-on-sudan-ending-two-decades-of-embargo/2017/10/06/aac1bd22-86d5-434e-9a21-1e0d57a72cb0_story.html?utm_term=.64557c274031).
- 155 "Sudan Expects Removal of Its Name From US Terror List Soon," Sudan Tribune, October 8, 2018, available at <https://www.sudantribune.com/spip.php?article66388>.
- 156 "Sudan, U.S. to Strike Deal on Removal From Terrorism List," Sudan Tribune, November 7, 2018, available at <https://www.sudantribune.com/spip.php?article66569>.
- 157 Fatiha Belfakir, "Sudanese Official: We Are Not Sponsoring Terrorists," October 19, 2018, available at <https://www.voanews.com/a/sudanese-official-we-are-not-sponsoring-terrorists/4621207.html>.
- 158 U.S. Department of State, "State Sponsors of Terrorism 2013," (2013), available at <https://www.state.gov/j/ct/rls/crt/2013/224826.htm>.
- 159 U.S. Department of State, "State Sponsors of Terrorism 2014," (2014), available at <https://www.state.gov/j/ct/rls/crt/2014/239410.htm>.
- 160 "Egyptian Investigations With Terrorism Suspects: Trained in Sudan and Received Intelligence Support," Al Rakoba News, January 20, 2017, available at <https://www.alrakoba.net/news-action-show-id-261772.htm>.
- 161 There are numerous reports of human rights violations in Sudan between 2015 and 2019. For more information, see "Sudan: Events of 2018," Human Rights Watch, 2019, available at <https://www.hrw.org/world-report/2019/country-chapters/sudan>.
- 162 "Sudan: Events of 2018," Human Rights Watch, 2019, available at <https://www.hrw.org/world-report/2019/country-chapters/sudan>.
- 163 Score is 16 out of 100; rank is 172 out of 180 countries in 2018 (see <https://www.transparency.org/cpi2018>).
- 164 See The Sentry's brief on Sudan's anti-money laundering framework here: "Sudan's Anti-Corruption Whitewash: The Bashir Regime's Hollow Commitment to Combating Illicit Finance," The Sentry, April 2019, available at <https://thesentry.org/reports/sudans-anti-corruption-whitewash/> as well as The Enough Project's Sudan reporting here: <https://enough-project.org/products/reports/sudan>. From The Enough Project's report, Sudan's Deep State: "Throughout his reign, President Omar al-Bashir has overseen the entrenchment of systemic looting, widespread impunity, political repression, and state violence so that he and his inner circle can maintain absolute authority and continue looting the state. The result of this process, on the one hand, has been the amassment of fortunes for the president and a number of elites, enablers, and facilitators, and on the other hand crushing poverty and underdevelopment for most Sudanese people." That report is available at [https://enoughproject.org/wp-content/uploads/2017/05/SudansDeepState\\_Final\\_Enough.pdf](https://enoughproject.org/wp-content/uploads/2017/05/SudansDeepState_Final_Enough.pdf).
- 165 "Sudan: Overview of Corruption and Anti-Corruption" Transparency International, August 14, 2017, available at <https://knowledgehub.transparency.org/helpdesk/sudan-overview-of-corruption-and-anti-corruption>.
- 166 Based on an interview with Ahmed Amin Abdelatif conducted by The Sentry in April 2019.
- 167 Based on an interview with Ahmed Amin Abdelatif conducted by The Sentry in April 2019. For more information about the petroleum sector and the NISS, see: Laura M. James, "Fields of Control: Oil and (In)security in Sudan and South Sudan," November 2015, available at <http://www.smallarmssurveysudan.org/fileadmin/docs/working-papers/HSBA-WP40-Oil.pdf>; and "Sudan's Deep State: How Insiders Violently Privatized Sudan's Wealth, and How to Respond," The Enough Project, April 2017, available at [https://enoughproject.org/wp-content/uploads/2017/05/SudansDeepState\\_Final\\_Enough.pdf](https://enoughproject.org/wp-content/uploads/2017/05/SudansDeepState_Final_Enough.pdf).
- 168 Based on an interview with Ahmed Amin Abdelatif conducted by The Sentry in April 2019.
- 169 Based on an interview with Wafa Elnefeidi conducted by The Sentry in April 2019.
- 170 Based on interviews conducted by The Sentry with members of the Sudanese business community in May 2019.
- 171 Based on interviews conducted by The Sentry with former U.S. government officials in January–March 2019.
- 172 Suliman Baldo, "Sudan: Hidden Economic Stakes in Ongoing Power Struggle," July 16, 2019, available at <https://medi>



- [um.com/@EnoughProject/sudan-hidden-economic-stakes-in-ongoing-power-struggle-384d169b7245](https://www.thesentry.org/@EnoughProject/sudan-hidden-economic-stakes-in-ongoing-power-struggle-384d169b7245).
- 173 Lesley Wroughton, “U.S. Suspends Talks With Sudan After Military Ousts Bashir,” Reuters, April 11, 2019, available at <https://uk.reuters.com/article/sudan-politics-usa/update-1-u-s-suspends-talks-with-sudan-after-military-ousts-bashir-idUKL1N21T1RA>.
- 174 “Sudan protest leaders, military sign transitional government deal,” Al Jazeera, August 17, 2019, available at <https://www.aljazeera.com/news/2019/08/sudan-protest-leaders-military-sign-transitional-government-deal-190817122225172.html>.
- 175 Carol Morello, “U.S. Lifts Sanctions on Sudan, Ending Two Decades of Embargo,” The Washington Post, October 6, 2017, available at [https://www.washingtonpost.com/world/national-security/us-lifts-sanctions-on-sudan-ending-two-decades-of-embargo/2017/10/06/aac1bd22-86d5-434e-9a21-1e0d57a72cb0\\_story.html?utm\\_term=.64557c274031](https://www.washingtonpost.com/world/national-security/us-lifts-sanctions-on-sudan-ending-two-decades-of-embargo/2017/10/06/aac1bd22-86d5-434e-9a21-1e0d57a72cb0_story.html?utm_term=.64557c274031).
- 176 Based on interviews conducted by The Sentry with current and former U.S. government officials in January–March 2019.
- 177 Jeffrey Gettleman, “After Years of Struggle, South Sudan Becomes a New Nation,” The New York Times, July 9, 2011, available at <https://www.nytimes.com/2011/07/10/world/africa/10sudan.html>.
- 178 Nicholas Kulish, “New Estimate Sharply Raises Death Toll in South Sudan,” The New York Times, January 9, 2014, available at <https://www.nytimes.com/2014/01/10/world/africa/new-estimate-sharply-raises-death-toll-in-south-sudan.html>.
- 179 “South Sudan: Estimates of Crisis-Attributable Mortality,” London School of Hygiene & Tropical Medicine, September 25, 2018, available at <https://crises.lshhtm.ac.uk/2018/09/25/south-sudan/>.
- 180 Intergovernmental Authority on Development (IGAD), available at <https://igad.int/>.
- 181 UNSCR 1996 available at <http://unscr.com/en/resolutions/doc/1996>.
- 182 U.N. Missions in South Sudan, “Background,” available at <https://unmiss.unmissions.org/background>.
- 183 “Global Conflict Tracker: Civil War in South Sudan,” Council on Foreign Relations, May 8, 2019, available at <https://www.cfr.org/interactive/global-conflict-tracker/conflict/civil-war-south-sudan>.
- 184 UNSCR 2206, available at <http://unscr.com/en/resolutions/doc/2206>.
- 185 Lauren Ploch Blanchard, “South Sudan’s Civil War: Nearly 400,000 Estimated Dead,” Congressional Research Service, September 28, 2018, available at <https://fas.org/sqp/crs/row/IN10975.pdf>.
- 186 E.O. 13664, available at [https://www.treasury.gov/resource-center/sanctions/Programs/Documents/south\\_sudan\\_eo.pdf](https://www.treasury.gov/resource-center/sanctions/Programs/Documents/south_sudan_eo.pdf).
- 187 Based on interviews conducted by The Sentry with former U.S. government officials in January–March 2019.
- 188 EU Sanctions Map, available at <https://www.sanctionsmap.eu/#/main/details/30/?search=%7B%22value%22:%22%22,%22searchType%22:%7B%7D%7D>.
- 189 European Union, “EU Announces €68 Million in Humanitarian Aid for Sudan and South Sudan,” June 18, 2018, available at [https://ec.europa.eu/echo/news/eu-announces-68-million-humanitarian-aid-sudan-and-south-sudan\\_en](https://ec.europa.eu/echo/news/eu-announces-68-million-humanitarian-aid-sudan-and-south-sudan_en).
- 190 Based on an interview with Colin Thomas-Jensen conducted by The Sentry in January 2019.
- 191 Lauren Ploch Blanchard, “South Sudan’s Civil War: Nearly 400,000 Estimated Dead,” Congressional Research Service, September 28, 2018, available at <https://fas.org/sqp/crs/row/IN10975.pdf>.
- 192 Based on interviews conducted by The Sentry with current and former U.S. government officials in January–March 2019.
- 193 Based on interviews conducted by The Sentry with former U.S. government officials in January–March 2019.
- 194 Based on interviews conducted by The Sentry with former U.S. government officials in January–March 2019.
- 195 Based on interviews conducted by The Sentry with former U.S. government officials in January–March 2019.
- 196 Based on an interview with Colin Thomas-Jensen conducted by The Sentry in January 2019.



- 197 See OFAC's press releases at <https://www.treasury.gov/press-center/press-releases/Pages/jl2386.aspx> and <https://www.treasury.gov/resource-center/sanctions/OFAC-Enforcement/Pages/20140918.aspx>.
- 198 See more information at <https://www.treasury.gov/press-center/press-releases/Pages/jl0102.aspx>.
- 199 Based on interviews conducted by The Sentry with former U.S. government officials in January–March 2019.
- 200 According to the Enough Project's Brian Adeba, "Amid the chaos of war, the ruling elites ransacked various sectors of the economy. South Sudan's violent kleptocracy has distorted the country's institutions, heaping catastrophic consequences on the national monetary reserve and creating an atmosphere in which too many hands are left to freely and repetitively reach into the public treasury with impunity. Services remain undelivered, business practices undermine the rule of law, and corruption abounds." For more information on corruption in South Sudan and how the elites are profiting, see The Enough Project's, "A Hijacked State," February 2019, available at <https://enoughproject.org/reports/a-hijacked-state>.
- 201 U.S. Department of the Treasury, "Treasury Targets South Sudanese Government Officials and Related Companies for Continued Destabilization," September 6, 2017, available at <https://www.treasury.gov/press-center/press-releases/Pages/sm0152.aspx>; U.S. Department of the Treasury, "United States Sanctions Human Rights Abusers and Corrupt Actors Across the Globe," December 21, 2017, available at <https://home.treasury.gov/news/press-releases/sm0243>.
- 202 More information from OFAC at <https://www.treasury.gov/press-center/press-releases/Pages/sm0152.aspx>.
- 203 Her Majesty's Treasury, "Consolidated List of Financial Sanctions Targets in the UK," available at [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/763839/south\\_sudan.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/763839/south_sudan.pdf).
- 204 More information from OFAC at <https://home.treasury.gov/news/press-releases/sm574>.
- 205 Steve Herman, "Sweeping Change to US Policy for Africa Announced," Voice of America, December 13, 2018, available at <https://www.voanews.com/a/sweeping-change-to-us-policy-for-africa-announced-/4699693.html>.
- 206 "Israel Ex-General Under U.S. Sanctions Denies Arming South Sudan War," Reuters, December 16, 2018, available at <https://uk.reuters.com/article/uk-southsudan-israel-ziv/israel-ex-general-under-u-s-sanctions-denies-arming-south-sudan-war-idUKKBN1OF0IG>.
- 207 Joseph Oduha, "South Sudan Protests Fresh US Sanctions," The East African, December 17, 2018, available at <https://www.theeastafrican.co.ke/news/africa/South-Sudan-protests-fresh-US-sanction/4552902-4899450-kt1pna/index.html>.
- 208 For more reports from The Enough Project and The Sentry on South Sudan, see [enoughproject.org](https://enoughproject.org) and [thesentry.org](https://thesentry.org).
- 209 Brian Adeba, "A Hijacked State," The Enough Project, February 13, 2019, available at <https://enoughproject.org/reports/a-hijacked-state>.
- 210 "South Sudan President: Delay Unity Government Formation by a Year," Al Jazeera, May 9, 2019, available at <https://www.aljazeera.com/news/2019/05/south-sudan-president-delay-unity-government-formation-year-190509054500509.html>.
- 211 It is possible for those under sanctions to obtain a waiver for travel by the UNSC.
- 212 Joseph Oduha, "South Sudan Army Chief Defies UN Travel Ban With Visit to China," The East African, August 16, 2018, available at <https://www.theeastafrican.co.ke/news/ea/South-Sudan-army-chief-defies-UN-ban-with-China-visit/4552908-4715152-m84ct/index.html>.
- 213 For more information about this, see The Sentry, "War Crimes Shouldn't Pay" (September 2016), available at [https://cdn.thesentry.org/wp-content/uploads/2016/09/Sentry\\_WCSP\\_Finalx.pdf](https://cdn.thesentry.org/wp-content/uploads/2016/09/Sentry_WCSP_Finalx.pdf).
- 214 Based on an interview conducted by The Sentry with Colin Thomas-Jensen in January 2019.
- 215 Mugume Davis Rwakaringi, "US Official Urges Uganda, Kenya to Stop Corrupt South Sudanese Investments," Voice of America, June 12, 2018, available at <https://www.voanews.com/archive/us-official-urges-uganda-kenya-stop-corrupt-south-sudanese-investments>.
- 216 The FATF recommendations are available at <http://www.fatf-gafi.org/media/fatf/documents/recommendations/pdfs/FATF%20Recommendations%202012.pdf>.
- 217 Based on an interview with Muluken Yirga conducted by The Sentry in January 2019.





- 218 Based on an interview with Muluken Yirga conducted by The Sentry in January 2019.
- 219 According to information available to The Sentry, April 2019.
- 220 For more information, please see The Sentry’s report, “Banking on War,” October 2018, available at <https://thesentry.org/reports/banking-on-war/>.
- 221 Based on interviews conducted by The Sentry in January–March 2019.
- 222 Based on interviews conducted by The Sentry in January–March 2019.
- 223 “Heavy Shelling in Burundi Capital,” BBC News, April 18, 2008, available at <http://news.bbc.co.uk/2/hi/africa/7354005.stm>.
- 224 Cara E. Jones and Stephanie Schwartz, “What Explains Burundi’s Protests?” The Washington Post, April 28, 2015, available at [https://www.washingtonpost.com/news/monkey-cage/wp/2015/04/28/what-explains-burundis-protests/?noredirect&utm\\_term=.e0eb3bb3adb0](https://www.washingtonpost.com/news/monkey-cage/wp/2015/04/28/what-explains-burundis-protests/?noredirect&utm_term=.e0eb3bb3adb0).
- 225 Based on an interview conducted by The Sentry with a former senior Obama administration official in January 2019.
- 226 Based on interviews with several current and former officials from the Treasury Department, State Department, and National Security Council conducted between January and March 2019.
- 227 From an interview conducted by The Sentry with a senior Treasury official in January 2019.
- 228 “Burundi: A Dangerous Third Term” International Crisis Group, May 20, 2016, available at <https://www.crisisgroup.org/africa/central-africa/burundi/burundi-dangerous-third-term>.
- 229 European Union, “Council Decision 2015/1763,” October 1, 2015, available at <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32015D1763>.
- 230 Based on an interview with David Mortlock conducted by The Sentry in January 2019.
- 231 Based on an interview conducted by The Sentry with Colin Thomas-Jensen in January 2019.
- 232 “The African Union and the Burundi Crisis: Ambition Versus Reality,” International Crisis Group, September 28, 2016, available at <https://www.crisisgroup.org/africa/central-africa/burundi/african-union-and-burundi-crisis-ambition-versus-reality>.
- 233 Based on interviews with several current and former officials from the Treasury Department, State Department, and National Security Council conducted between January and March 2019.
- 234 E.O. 13712, available here at <https://www.treasury.gov/resource-center/sanctions/Programs/Documents/13712.pdf>.
- 235 “Letter - Blocking Property of Certain Persons Contributing to the Situation in Burundi,” The White House, November 22, 2015, available at <https://obamawhitehouse.archives.gov/the-press-office/2015/11/23/letter-blocking-property-certain-persons-contributing-situation-burundi>.
- 236 Based on interviews with several current and former officials from the Treasury Department, State Department, and National Security Council conducted between January and March 2019.
- 237 U.S. Department of the Treasury, “Issuance of an Executive Order on Burundi-related Sanctions; Burundi-related Designations,” November 23, 2015, available at <https://www.treasury.gov/resource-center/sanctions/OFAC-Enforcement/Pages/20151123.aspx>.
- 238 “Burundi Ex-Minister, Generals Jailed For Life Over Coup: Radio,” Reuters, January 15, 2016, available at <https://www.reuters.com/article/us-burundi-unrest-coup-idUSKCNOUT2G8>.
- 239 “Burundi Presidency Says U.S. Sanctions Against Four Officials ‘Unfriendly Act,’” Xinhua, November 25, 2015, available at <http://coastweek.com/3847-US-sanctions-on-four-individuals-in-Burundi-over-violence-White-House.htm>.
- 240 Olivier Caslin, “‘Why We Decided to Take Action’: Godefroid Niyombare Delivers Its Version of the 2015 Coup in Burundi,” Jeune Afrique, May 15, 2017, available at <https://www.jeuneafrique.com/mag/435829/politique/avons-decide-de-passer-a-laction-godefroid-niyombare-livre-version-coup-detat-de-2015-burundi/>.
- 241 OFAC press release, available at <https://www.treasury.gov/press-center/press-releases/Pages/jl0310.aspx>.





- 242 Based on interviews with several current and former officials from the Treasury Department, State Department, and National Security Council conducted between January and March 2019.
- 243 U.S. Department of the Treasury, “Treasury Sanctions Three Individuals for Contributing to the Ongoing Violence in Burundi,” June 2, 2016, available at <https://www.treasury.gov/press-center/press-releases/Pages/jl0473.aspx>.
- 244 According to Wilén and Williams, “Under Article 23 of its Constitutive Act, the AU can impose sanctions on its members for non-payment of dues and recalcitrant behaviour. The AU has usually employed the latter in response to cases of ‘unconstitutional changes of government.’ Specifically, the AU has suspended what it considers illegitimate regimes from participating in the Union’s formal activities and imposed targeted sanctions upon the perpetrators of unconstitutional actions. This has mostly occurred in response to the 14 coups d’état that took place in Africa between 2003 and 2014.”
- 245 Nina Wilén and Paul D. Williams, “The African Union and Coercive Diplomacy: The Case of Burundi,” *Journal of Modern African Studies*, 56:4 (2018), 673–696, available at <http://www.egmontinstitute.be/content/uploads/2018/12/Wilen-Williams-The-AU-and-Coercive-Diplomacy-The-case-of-Burundi.pdf>.
- 246 Michelle Nichols, “U.N. Under Pressure to Show It Can Help End Burundi Violence,” Reuters, February 21, 2016, available at <https://www.reuters.com/article/us-burundi-un-idUSKCN0VU09Q>.
- 247 Michelle Nichols, “U.N. Under Pressure to Show It Can Help End Burundi Violence,” Reuters, February 21 2016, available at <https://www.reuters.com/article/us-burundi-un-idUSKCN0VU09Q>.
- 248 Michelle Nichols, “U.N. Under Pressure to Show It Can Help End Burundi Violence,” Reuters, February 21 2016, available at <https://www.reuters.com/article/us-burundi-un-idUSKCN0VU09Q>.
- 249 “Burundi Ex-Minister, Generals Jailed For Life Over Coup: Radio,” Reuters, January 15, 2016, available at <https://www.reuters.com/article/us-burundi-unrest-coup-idUSKCNOUT2G8>.
- 250 UNSCR 2303, available at [http://www.securitycouncilreport.org/atf/cf/%7B65BFCF9B-6D27-4E9C-8CD3-CF6E4FF96FF9%7D/s\\_res\\_2303.pdf](http://www.securitycouncilreport.org/atf/cf/%7B65BFCF9B-6D27-4E9C-8CD3-CF6E4FF96FF9%7D/s_res_2303.pdf).
- 251 UNSCR press release, available at <https://www.un.org/press/en/2017/sc12750.doc.htm>.
- 252 UN Human Rights Council, “UN Human Rights Council 33/24,” October 5, 2016, available at <https://documents-dds-ny.un.org/doc/UNDOC/GEN/G16/223/99/PDF/G1622399.pdf?OpenElement>.
- 253 Commission of Inquiry on Burundi, “Report of the Commission of Inquiry on Burundi,” September 28, 2018, available at [https://www.ohchr.org/Documents/HRBodies/HRCouncil/ColBurundi/ReportHRC39/A\\_HRC\\_39\\_63\\_EN.pdf](https://www.ohchr.org/Documents/HRBodies/HRCouncil/ColBurundi/ReportHRC39/A_HRC_39_63_EN.pdf).
- 254 “Burundi Becomes First Nation to Leave International Criminal Court,” *The Guardian*, October 28, 2017, available at <https://www.theguardian.com/law/2017/oct/28/burundi-becomes-first-nation-to-leave-international-criminal-court>.
- 255 Commission of Inquiry on Burundi, “Report of the Commission of Inquiry on Burundi,” September 28, 2018, available at [https://www.ohchr.org/Documents/HRBodies/HRCouncil/ColBurundi/ReportHRC39/A\\_HRC\\_39\\_63\\_EN.pdf](https://www.ohchr.org/Documents/HRBodies/HRCouncil/ColBurundi/ReportHRC39/A_HRC_39_63_EN.pdf).
- 256 Adrian Blomfield, “Burundi Referendum Could Trash Mandela’s Legacy of Peace in Troubled Country,” *Telegraph*, May 17, 2018, available at <https://www.telegraph.co.uk/news/2018/05/17/burundi-referendum-could-trash-mandelas-legacy-peace-troubled/>.
- 257 Desire Nimubona, “Burundi President Pierre Nkurunziza Pledges to Step Down in 2020,” *Bloomberg*, June 12, 2018, available at <https://www.bloomberg.com/news/articles/2018-06-07/burundi-president-pierre-nkurunziza-pledges-to-step-down-in-2020>.
- 258 “Burundi’s Pierre Nkurunziza Says He Will Step Down in 2020,” *Al Jazeera*, June 7, 2018, available at <https://www.aljazeera.com/news/2018/06/burundi-pierre-nkurunziza-step-2020-180607160413061.html>.
- 259 U.S. State Department, “Burundi President Nkurunziza Intends to Leave Office in 2020,” June 12, 2018, available at <https://www.state.gov/r/pa/prs/ps/2018/06/283157.htm>.
- 260 Based on interviews with several current and former officials from the Treasury Department, State Department, and National Security Council conducted between January and March 2019.



- 261 Commission of Inquiry on Burundi, “Report of the Commission of Inquiry on Burundi,” September 28, 2018, available at [https://www.ohchr.org/Documents/HRBodies/HRCouncil/ColBurundi/ReportHRC39/A\\_HRC\\_39\\_63\\_EN.pdf](https://www.ohchr.org/Documents/HRBodies/HRCouncil/ColBurundi/ReportHRC39/A_HRC_39_63_EN.pdf).
- 262 Security Council Report, “Burundi: February 19 Monthly Forecast,” January 31, 2019, available at <https://www.security-councilreport.org/monthly-forecast/2019-02/burundi-2.php>.
- 263 Viola Gienger, “Burundi Unrest Evokes Hurdles for U.S. in Preventing Threats,” United States Institute of Peace, May 4, 2015, available at <https://www.usip.org/publications/2015/05/burundi-unrest-evokes-hurdles-us-preventing-threats>.
- 264 From an interview conducted by The Sentry with a senior Treasury official in January 2019.
- 265 Interview conducted by The Sentry with a senior British government official in March 2019.
- 266 In November 2018, The Sentry published “Fear, Inc.: War Profiteering in the Central African Republic and the Bloody Rise of Abdoulaye Hissène.” The report includes specific details on sanctions violations, available at [https://cdn.thesentry.org/wp-content/uploads/2018/11/FearInc\\_TheSentry\\_Nov2018-web.pdf](https://cdn.thesentry.org/wp-content/uploads/2018/11/FearInc_TheSentry_Nov2018-web.pdf); [The U.N. Panel of Experts’ annual reports document multiple violations of the UNSC sanctions regime. However, when sanctions are violated, penalties or enforcement actions are not followed; this is particularly true for regional governments and the CAR government.](https://www.un.org/press/docs/2018/20181111.unsc.sanctions.regime.html)
- 267 Alexis Arieff and Tomas F. Husted, “Crisis in the Central African Republic,” Congressional Research Service, April 5, 2019, available at <https://crsreports.congress.gov/product/pdf/IF/IF11171>.
- 268 Adam Nossiter, “President Is Said to Flee as Rebels Seize Capital of the Central African Republic,” The New York Times, March 24, 2013, available at <https://www.nytimes.com/2013/03/25/world/africa/rebels-seize-capital-of-central-african-republic.html>.
- 269 For a guide to armed group dynamics in CAR, see Nathalia Dukhan, “Splintered Warfare: Alliances, Affiliations, and Agendas of Armed Factions and Politico-Military Groups in the Central African Republic,” The Enough Project, August 10, 2017, available at <https://enoughproject.org/reports/splintered-warfare-central-african-republic>; and Nathalia Dukhan, “Splintered Warfare II: How Foreign Interference Is Fueling Kleptocracy, Warlordism, and an Escalating Violent Crisis in the Central African Republic,” Enough Project, November 6, 2018, available at <https://enoughproject.org/reports/splintered-warfare-ii-central-african-republic>.
- 270 Ty McCormick, “One Day, We Will Start a Big War,” Foreign Policy, October 28, 2015, available at <https://foreignpolicy.com/2015/10/28/one-day-we-will-start-a-big-war-central-african-republic-un-violence/>.
- 271 Ty McCormick, “One Day, We Will Start a Big War,” Foreign Policy, October 28, 2015, available at <https://foreignpolicy.com/2015/10/28/one-day-we-will-start-a-big-war-central-african-republic-un-violence/>.
- 272 United Nations High Commissioner for Refugees, “Central African Republic Situation,” available at <https://www.unhcr.org/en-us/central-african-republic-situation.html>.
- 273 Some areas of CAR have been allowed to rejoin the process.
- 274 “Communiqué,” AU Peace and Security Council, March 25, 2013, available at <http://www.peaceau.org/uploads/psc-com-363.car.pdf>.
- 275 UNSCR 2127, available at <http://unscr.com/en/resolutions/doc/2127>.
- 276 United Nations Peacekeeping, “MINUSCA Fact Sheet,” available at <https://peacekeeping.un.org/en/mission/minusca>.
- 277 Security Council Report, “Fact Sheet on the 2127 CAR Sanctions Committee,” March 19, 2018, available at <https://www.securitycouncilreport.org/atf/cf/%7B65BF9B-6D27-4E9C-8CD3-CF6E4FF96FF9%7D/central-african-republic-sanctions-fact-sheet.pdf>.
- 278 UNSCR 2454, available at <http://unscr.com/en/resolutions/doc/2454>.
- 279 Based on interviews with current and former U.S. government officials conducted by The Sentry in January–March 2019.
- 280 U.S. Department of the Treasury, “Blocking Property of Certain Persons Contributing to the Conflict in the Central African Republic,” May 12, 2014, available at [https://www.treasury.gov/resource-center/sanctions/Programs/Documents/car\\_eo.pdf](https://www.treasury.gov/resource-center/sanctions/Programs/Documents/car_eo.pdf).



- 281 OFAC press release, available at <https://www.treasury.gov/press-center/press-releases/Pages/jl0311.aspx> and <https://www.treasury.gov/press-center/press-releases/Pages/jl0150.aspx>.
- 282 Based on an interview with a former senior Treasury official conducted by The Sentry in March 2019.
- 283 U.S. Department of the Treasury, “Treasury Sanctions Two Central African Republic Militia Commanders,” April 12, 2017, available at <https://www.treasury.gov/press-center/press-releases/Pages/sm0041.aspx>.
- 284 Based on interviews with current and former U.S. government officials conducted by The Sentry in January–March 2019.
- 285 Based on interviews with current and former U.S. government officials conducted by The Sentry in January–March 2019.
- 286 Based on interviews with current and former U.S. government officials conducted by The Sentry in January–March 2019.
- 287 OFAC sanctions list, available at <https://sanctionssearch.ofac.treas.gov/>.
- 288 OFAC press releases, available at <https://www.treasury.gov/press-center/press-releases/Pages/jl0376.aspx>, <https://www.treasury.gov/press-center/press-releases/Pages/sm0234.aspx>, and <https://www.treasury.gov/press-center/press-releases/Pages/sm0041.aspx>.
- 289 Based on an interview with current U.N. official conducted by The Sentry in June 2019.
- 290 UNSCR 2399, available at <https://www.un.org/press/en/2018/sc13188.doc.htm>.
- 291 Central African Republic Panel of Experts, “Midterm Report of the Panel of Experts on the CAR,” July 23, 2018, available at <https://undocs.org/en/S/2018/729>.
- 292 The Sentry, “Central African Republic,” July 2015, available at <https://thesentry.org/reports/car/>.
- 293 Central African Republic Panel of Experts, “Final Report of the Panel of Experts on the CAR,” December 14, 2018, available at <https://undocs.org/S/2018/1119>.
- 294 Based on an interview with a current U.N. official conducted by The Sentry in June 2019.
- 295 “Central African Republic 2017/2018” Amnesty International, 2018, available at <https://www.amnesty.org/en/countries/africa/central-african-republic/report-central-african-republic/>.
- 296 Based on interviews with current and former EU, U.N., and U.S. officials conducted by The Sentry, January–March 2019.
- 297 Central African Republic Panel of Experts, “Final Report of the Panel of Experts on the CAR,” December 6, 2017, available at <https://www.undocs.org/S/2017/1023>.
- 298 Office of Foreign Assets Control, U.S. Department of the Treasury, “Treasury Sanctions Individuals and Entities Fueling Violence in the Central African Republic,” August 21, 2015, available at <https://www.treasury.gov/press-center/press-releases/Pages/jl0150.aspx>.
- 299 Central African Republic Panel of Experts, “Final Report of the Panel of Experts on the CAR,” December 14, 2018, available at <https://undocs.org/S/2018/1119>.
- 300 Central African Republic Panel of Experts, “Final Report of the Panel of Experts on the CAR,” December 14, 2018, available at <https://undocs.org/S/2018/1119>.
- 301 Alexis Arieff and Tomas F. Husted, “Crisis in the Central African Republic,” Congressional Research Service, April 5, 2019, available at <https://crsreports.congress.gov/product/pdf/IF/IF11171>.
- 302 Mollie Zapata, “Congo: The First and Second Wars, 1996-2003,” Enough Project blog, November 29, 2011, available at <https://enoughproject.org/blog/congo-first-and-second-wars-1996-2003>.
- 303 John Prendergast and Fidel Bafilemba, Congo Stories: Battling Five Centuries of Exploitation and Greed, (New York: Grand Central Publishing, 2018).
- 304 MONUC was changed to MONUSCO in 2010.



- 305 “History of the Conflict,” Eastern Congo Initiative, available at <http://www.easterncongo.org/about-drc/history-of-the-conflict>.
- 306 Sasha Lezhnev, “A Criminal State,” The Enough Project, October 2016, available at <https://enoughproject.org/reports/criminal-state-understanding-and-counteracting-institutionalized-corruption-and-violence-democr>.
- 307 UNSCRs 1484 and 1493, available at <http://unscr.com/en/resolutions/doc/1484> and <http://unscr.com/en/resolutions/doc/1493>.
- 308 E.O. 13413, available at <https://www.treasury.gov/resource-center/sanctions/Documents/13413.pdf>.
- 309 E.O. 13671, available at <https://www.treasury.gov/resource-center/sanctions/Programs/Documents/13671.pdf>.
- 310 “Time For Concerted Action in DR Congo” International Crisis Group, December 4, 2017, available at <https://www.crisisgroup.org/africa/central-africa/democratic-republic-congo/257-time-concerted-action-dr-congo>.
- 311 William Clowes, “Kabila’s Trump Card,” Foreign Policy, November 17, 2016, available at <https://foreignpolicy.com/2016/11/17/kabilas-trump-card-what-donald-trump-means-for-africa-congo/>.
- 312 Based on an interview conducted by The Sentry with Jeanne Hruska in January 2019.
- 313 Alexis Arieff, “Democratic Republic of Congo: Targeted Sanctions,” Congressional Research Service, December 8, 2016, available at <https://fas.org/sgp/crs/row/IN10622.pdf>.
- 314 According to two former U.S. government officials who declined to be identified publicly.
- 315 According to two former U.S. government officials who declined to be identified publicly.
- 316 Former administration officials told The Sentry they wanted the United Nations to impose travel bans on members of Kabila’s inner circle. The idea was that a UNSC action against Congo government entities would have sent a stronger message to Kabila that he was running out of time. However, it is very difficult to get the UNSC to sanction government entities. The active rebel groups and militias were much easier targets than those in the Kabila government responsible for violence and human rights abuses.
- 317 United Nations Security Council, “Sanctions Committee Concerning Democratic Republic of Congo Adds Four Individuals to Its Sanctions List,” February 1, 2018, available at <https://www.un.org/press/en/2018/sc13194.doc.htm>.
- 318 Based on interviews with former State Department officials conducted by The Sentry in January–March 2019.
- 319 “Democratic Republic of Congo: Background and U.S. Relations,” Congressional Research Service, April 30, 2019, available at <https://fas.org/sgp/crs/row/R43166.pdf>.
- 320 Colum Lynch, “UN Report Links Congolese Government to Murder of American and Swede,” Foreign Policy, December 19, 2018, available at <https://foreignpolicy.com/2018/12/19/un-report-links-congolese-government-to-murder-of-american-and-swede/>.
- 321 U.N. Security Council, “Resolution 2360 (2017) Adopted by the Security Council at its 7981st meeting, on 21 June 2017,” S/RES/2360 (2017), 21 June 2017, available at <http://unscr.com/en/resolutions/doc/2360>.
- 322 “DR Congo: EU, US Sanction Top Officials,” Human Rights Watch, June 1, 2017, available at <https://www.hrw.org/news/2017/06/01/dr-congo-eu-us-sanction-top-officials>.
- 323 U.N. Security Council, “Sanctions Committee Concerning Democratic Republic of Congo Adds Four Individuals to Its Sanctions List,” February 1, 2018, available at <https://www.un.org/press/en/2018/sc13194.doc.htm>.
- 324 Based on interviews with current and former U.S. officials conducted by The Sentry in January–May 2019.
- 325 Based on interviews with current and former U.S. officials conducted by The Sentry in January–May 2019.
- 326 “All the President’s Wealth: The Kabila Family Business,” Congo Research Group, July 19, 2017, available at <http://congoresearchgroup.org/all-the-presidents-wealth/>.
- 327 For more information, see Sasha Lezhnev, “A Criminal State: Understanding and Counteracting Institutionalized Corruption and Violence in the Democratic Republic of Congo,” The Enough Project, October 27, 2016, available at <https://enoughproject.org/reports/criminal-state-understanding-and-counteracting-institutionalized-corruption-and-violence-democr>.
- 328 U.S. Department of the Treasury, “United States Sanctions Human Rights Abusers and Corrupt Actors Across the



- Globe,” December 21, 2017, available at <https://home.treasury.gov/news/press-releases/sm0243>.
- 329 Thomas Wilson, “Randgold Moves to Cut Ties With Dan Gertler After U.S. Sanctions,” February 5, 2018, available at <https://www.bloomberg.com/news/articles/2018-02-05/randgold-moves-to-cut-ties-with-dan-gertler-after-u-s-sanctions>.
- 330 Based on an interview conducted by The Sentry with Under Secretary Mandelker in July 2019.
- 331 Barbara Lewis, “Glencore Settles With Gertler Over Congo Royalties,” Reuters, June 15, 2018, available at <https://www.reuters.com/article/us-glencore-congo/glencore-settles-with-gertler-over-congo-royalties-idUSKBN1JB0JM>.
- 332 It is unclear at this time if corruption-related listing criteria will be included in the European Union’s authority.
- 333 Katrina Manson, “US Ready to Impose Fresh Sanctions on Democratic Republic of Congo,” Financial Times, August 5, 2018, available at <https://www.ft.com/content/565c3308-96eb-11e8-b747-fb1e803ee64e>.
- 334 Chase Winter, “DR Congo: Election marked by delays, irregularities,” December 30, 2018, available at <https://www.dw.com/en/dr-congo-election-marked-by-delays-irregularities/a-46901161-0>.
- 335 “DR Congo Opposition Candidate Fayulu Challenges Election Results in Court,” Voice of America, January 12, 2019, available at <https://www.voanews.com/africa/dr-congo-opposition-candidate-fayulu-challenges-election-results-court>.
- 336 For more information about the election results, see Robbie Gramer and Jefcoate O’Donnell, “How Washington Got on Board With Congo’s Rigged Election,” February 1, 2019, available at <https://foreignpolicy.com/2019/02/01/how-washington-got-on-board-with-congos-rigged-election-drc-tshisekedi-kabila-great-lakes/>; and Max Bearak, “Mounting evidence of fraud in Congo vote prompts rare rebuke from the African Union,” January 18, 2019, available at [https://www.washingtonpost.com/world/mounting-evidence-of-fraud-in-congo-vote-prompts-rare-rebuke-from-the-african-union/2019/01/18/3164c184-1a97-11e9-b8e6-567190c2fd08\\_story.html](https://www.washingtonpost.com/world/mounting-evidence-of-fraud-in-congo-vote-prompts-rare-rebuke-from-the-african-union/2019/01/18/3164c184-1a97-11e9-b8e6-567190c2fd08_story.html).
- 337 “US Sanctions 3 Top DRC Election Officials, Charging Fraud,” Voice of America, March 21, 2019, available at <https://www.voanews.com/a/us-sanctions-3-top-drc-election-officials-charging-fraud/4842404.html>.
- 338 U.S. Department of the Treasury, “Treasury Sanctions Congolese Officials Responsible for Undermining DRC Elections,” March 21, 2019, available at <https://home.treasury.gov/news/press-releases/sm633>.
- 339 The State Department initially gave statements supporting the new Tshisekedi administration and congratulating the country on a “successful” power transition, despite evidence that the election was fraudulent. For more information, see State Department press releases, available at: <https://www.state.gov/press-releases/>.
- 340 Brad Brooks-Rubin, “Testimony on U.S. Sanctions Policy in Sub-Saharan Africa,” (Washington: The Enough Project, June 8, 2016), available at <https://enoughproject.org/reports/testimony-brad-brooks-rubin-us-sanctions-policy-sub-saharan-africa>.
- 341 Based on an interview conducted by The Sentry with Robert Fowler in March 2019.
- 342 Based on an interview conducted by The Sentry with Sigal Mandelker in July 2019.
- 343 U.S. Department of Commerce, “83 FR 12475: 15 South Sudanese Entities Added to the Entity List,” available at <https://www.bis.doc.gov/index.php/regulations/1407-15-south-sudanese-entities-added-to-the-entity-list>.
- 344 Clara Portela, “Targeted Sanctions Against Individuals on Grounds of Grave Human Rights Violations – Impact, Trends, and Prospect at EU Level,” (European Parliament Think Tank, April 26, 2018), available at [https://www.europarl.europa.eu/thinktank/en/document.html?reference=EXPO\\_STU\(2018\)603869](https://www.europarl.europa.eu/thinktank/en/document.html?reference=EXPO_STU(2018)603869).
- 345 Clara Portela, “Targeted Sanctions Against Individuals on Grounds of Grave Human Rights Violations – Impact, Trends, and Prospect at EU Level,” (European Parliament Think Tank, April 26, 2018), available at [https://www.europarl.europa.eu/thinktank/en/document.html?reference=EXPO\\_STU\(2018\)603869](https://www.europarl.europa.eu/thinktank/en/document.html?reference=EXPO_STU(2018)603869).
- 346 Tom Keatinge and Emil Dall, “Consensus for Action: Towards a More Effective EU Sanctions Policy,” (New York: Columbia University Center on Global Energy Policy, November 28, 2018), available at <https://energypolicy.columbia.edu/research/report/consensus-action-towards-more-effective-eu-sanctions-policy>.
- 347 John Prendergast, “Briefing by John Prendergast for the United Nations Security Council,” September 10, 2018, available at [https://enoughproject.org/wp-content/uploads/UNSC\\_PrendergastRemarks\\_Sept2018.pdf](https://enoughproject.org/wp-content/uploads/UNSC_PrendergastRemarks_Sept2018.pdf).
- 348 Rebecca Brubaker, “Strengthening UN Sanctions,” (New York: United Nations University Centre for Policy Research, August 7, 2017), available at <https://cpr.unu.edu/strengthening-un-sanctions.html>.





THE SENTRY