

The Sentry 2020 Annual Impact Report

Hope is on the horizon in Africa.

Throughout the past few decades, deadly wars have continued to rage in East and Central Africa, in large part because there has been little accountability for those benefiting from chaos and violence.

But the status quo is changing.

The Sentry has succeeded in working with governments and global banks to create real financial consequences for some of the officials and commercial actors responsible for perpetuating and profiting from massive human rights crimes.

The result? Major wars have ended in South Sudan, Sudan, and the Democratic Republic of the Congo, and a return to mass violence has been prevented.

At least so far.

It's early days since these conflicts formally ended, and peace is very fragile. Our work is really just beginning. We will continue to focus on the kleptocratic networks that have captured these states—and those in the surrounding region—and we will continue to create serious consequences for the looting of resources that has been at the heart of these wars from the very beginning.

We have known this for 2,500 years. As Socrates wrote, “All wars are fought for money.”

And so long as that is the case, The Sentry will work to cut off the illicit financial flows that drive violence, atrocity, and war.

Our Approach

The Sentry provides evidence and strategies for governments and law enforcement to take action against those responsible for atrocities and grand corruption. Our partnerships with banks help shut criminals and corrupt officials out of the international financial system. Working with civil society and media partners, we tell compelling stories that allow people and governments to understand the root causes and systemic issues that require our collective attention and intervention.

The Sentry has exposed the corrupt activity of some of Africa's deadliest war criminals and their international accomplices, delivering dozens of investigative cases to governments, law enforcement agencies, and banks around the world. We have had a demonstrable impact on the way individuals, companies, and countries approach and deal with corruption.

Our Impact

We achieve impact in three primary ways:

- **WE COLLABORATE WITH AND ADVOCATE TO GOVERNMENTS.**
We provide governments the evidence they need to take targeted action against corruption, violence, and serious human rights abuses, and we advocate for more comprehensive policies focused on getting at the root causes of crises.
- **WE PARTNER WITH BANKS.**
We provide evidence and help banks identify illicit financial flows to stop war criminals from laundering their ill-gotten gains.
- **WE ELEVATE IMPORTANT ISSUES THROUGH THE MEDIA.**
We partner with the media to expose corrupt networks and amplify the need for meaningful change.

WHAT WE ACCOMPLISHED IN 2020

Advancing the Peace Process in South Sudan

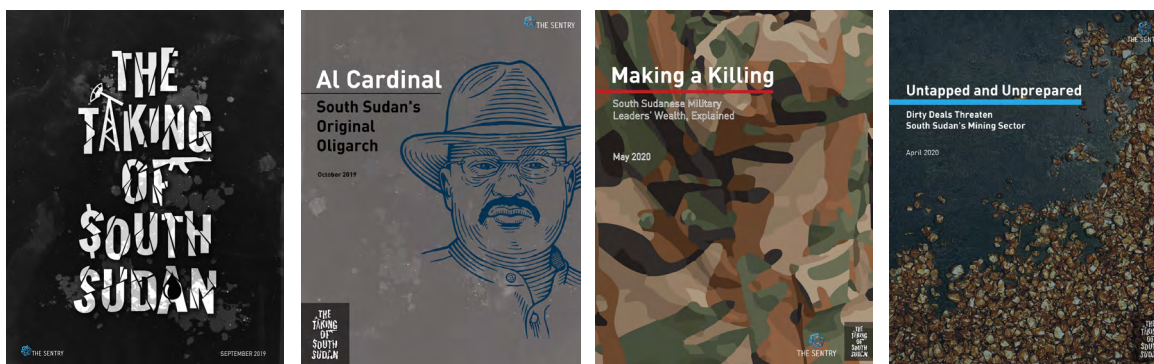
In February, after repeatedly missing deadlines set by the initial peace deal signed in 2018, South Sudan's leaders agreed to compromise and form a government of national unity. Their decision signaled a willingness to cooperate and averted a return to full-scale war.

In the months leading up to this breakthrough, The Sentry focused on building financial pressure on South Sudan's leadership. In September 2019, The Sentry launched a series of investigative reports entitled "The Taking of South Sudan," exposing an array of international actors—from Chinese-Malaysian oil giants and British tycoons to traders from Ethiopia, Eritrea, Kenya, and Uganda—who profited from the looting of state assets. We used the reports, along with more specialized dossiers, in our targeted engagement with governments and financial institutions. This resulted in tangible consequences for South Sudan's corrupt civilian and military leaders:

- The United States Department of the Treasury announced multiple rounds of sanctions over the past 12 months, including against First Vice President Taban Deng Gai, using evidence provided by The Sentry.
- In February, the United Kingdom's National Crime Agency released its first-ever, country-specific Amber Alert focusing on illicit financial flows from South Sudan into the UK. The Sentry was instrumental in getting this Alert published.
- Multiple banks and other foreign governments have confirmed that they opened investigations directly based on The Sentry's reports and dossiers.

A US Special Envoy recently said: "The sanctions we did at the end of last year were instrumental at moving the peace process forward and [The Sentry] were instrumental in getting the facts."

Combined, this financial pressure created crucial leverage to bring President Salva Kiir and Vice President Riek Machar back to the table to keep the peace process on track.



Addressing Corruption in the Democratic Republic of Congo

Through our extensive networks and established credibility, The Sentry established direct dialogue with the new President Félix Tshisekedi, opening up opportunities to advocate for real change that did not exist under his predecessor. We met personally with President Tshisekedi and discussed the need to take action against corrupt networks and enact key anti-corruption reforms, such as making state-owned mining companies (key sources of corruption) more transparent, removing corrupt army generals from their positions and holding them accountable, and reforming gold regulations to incentivize conflict-free gold trading instead of conflict gold smuggling.

At the grassroots level, The Sentry has been driving a social media campaign with the goal of exposing and stopping corruption in the DRC. We have produced a series of infographics and short videos around the theme “Corruption is Cancer.” These posts have been shared widely in the DRC, including by leading politicians. The campaign has inspired similar initiatives by other civil society organizations and has already led to concrete policy impact. For example, following a graphic on passport contract fraud, which examined the inflated \$185 price of a Congolese passport—one of the most expensive in the world and more than three times the average monthly wage in the DRC, Congolese civil society brought a lawsuit against the passport supplier in Belgium, and the DRC’s foreign ministry announced that it would not renew the contract.



Finally, in August, we published an investigation that identified two North Korean businessmen engaging in commercial activity in the DRC in direct contravention of international sanctions on North Korea related to its nuclear program. Aside from the potential risk this activity poses to international security, this case highlights deep flaws in the DRC’s sanctions enforcement and compliance infrastructure. Our report identified mechanisms within the government and banking systems that are being exploited and made recommendations for corrective action to strengthen them. A major professional association in the region has assured The Sentry that the information provided is likely to result in significant consequences for the bankers involved and will catalyze systemic change. A follow-up report is expected soon.

Investigating War Profiteers in the Central African Republic

The systemic challenges in CAR are immense, and The Sentry has been deeply concerned by the lack of attention from the global community over the last several years. In October, we took meaningful action to address the neglect CAR is facing and to highlight the steps needed to drive transformational change throughout the country. Our campaign articulated what others are reluctant to say, which is that CAR has been hijacked by corrupt officials and brutal warlords and that the French and Russian power struggle in the country has paved the way for the proliferation of organized crime and terror financing. Through a coordinated effort involving multiple events, a range of published pieces, and varying perspectives, The Sentry laid out a clear strategy for impact. In response, key European, UN, UK, US, International Criminal Court, and NGO policymakers have approached The Sentry to take specific steps based on our findings.



The Sentry's publications on the Central African Republic were featured in several media outlets, including Central African regional newspaper Anti-Infox RCA, which published this cartoon on its front page.

The second phase of our approach is underway. In 2021, we are planning to expose specific components of the kleptocratic system through high-value investigations focused on the conflict gold trade. We are also preparing three investigations that show the devastating impact of the proxy war between France and Russia and how foreign powers benefit from instability, poverty, and bad governance in CAR.

Supporting Sudan's Transition to Civilian Rule

Throughout the course of the protests and transition in Sudan, The Sentry has consistently engaged the US, UK, and other governments to enable them to take steps supporting the transition. In recent months, The Sentry's advocacy with Congress, the Trump administration, and banks has led to Sudan's removal from the US government's State Sponsors of Terrorism list, which should enable broader and desperately needed investment and financial services in Sudan. The transitional government in Sudan has so far demonstrated a commitment to human rights principles unimaginable under its predecessor.

Continued Advocacy for Global Action

At a global level, The Sentry's goal is to ensure that governments and financial institutions adopt sound policy tools for financial leverage and accountability, including sanctions and anti-money laundering measures, and that they effectively use the policy tools already at their disposal. In July 2020, we launched a new series of money laundering risk advisories, aimed at helping banks and compliance agencies prevent profiteers from using the banking system to launder the proceeds of mass corruption in Africa. The first advisory in this series focused on real estate, one of the getaway cars for stolen assets. The advisory provides a roadmap for banks to identify specific kinds of transactions in the real estate sector—in other words, to track down those getaway cars. The second advisory focused on the pivotal role of Dubai in the illicit trade in conflict gold. Gold continues to fuel armed conflict and corruption in East and Central Africa, and an estimated 95% of gold from the region—worth more than \$3 billion per year—is exported to Dubai, where policy and regulatory loopholes allow the conflict gold trade to flourish. In November, following months of sustained engagement by The Sentry, the world's preeminent gold market authority, the London Bullion Market Association, took the unprecedented step of threatening to cut off Dubai and other world gold centers unless they clean up their practices on conflict gold.

The Sentry continues to push governments to adopt sanctions programs similar to the Global Magnitsky program in the US. In July, the UK launched its new human rights sanctions program. The Sentry has been working closely with the UK's Foreign and Commonwealth Office for the past year providing insights, best practices, and recommendations to help design this new program. The sanctions program provides a powerful new tool to deny access to the UK, US, and international financial systems to all those who engage in corruption and serious human rights abuses around the world.

Impact of the Covid-19 Pandemic

Investigating, exposing, and creating consequences for unchecked greed is more essential than ever in the context of the pandemic. To help save lives, The Sentry has launched a new project to examine cases of corruption and fraud associated with the COVID-19 response and examples of how responses to the outbreak may undermine peace, security, and good governance in the region.

Our investigations have begun to document evidence related to issues such as stolen medicine, contracts riddled with fraud, and public health budgets diverted into private accounts. Our investigators have identified the beneficiaries of fraud in the procurement of essential goods and pharmaceuticals in South Sudan. In Sudan, we have mapped out how a mechanism for emergency spending during the pandemic has been abused by a small group of well-connected insiders, and we have probed a multibillion-dollar medical infrastructure project in Sudan that never materialized, identifying numerous international beneficiaries of large-scale contracts that have no apparent relevant experience. As the pandemic response continues to evolve, we will draw attention to these problems, advocate for targeted action in response, and identify possible risks and recommendations to avoid the misuse or diversion of funds moving forward.

Looking Ahead

In the midst of this global pandemic, and with the quest for racial justice intensifying, The Sentry's efforts to address systemic corruption are deeply relevant to both of these world-changing storylines. The Sentry has expanded its capacity in Africa and is developing new partnerships in the region to more directly catalyze change. A number of ongoing investigations are expected to bear fruit in the coming months, including on the illicit gold trade in the DRC and CAR and the actions of transnational networks and foreign actors in the region.

During The Sentry's first four years, our investigators exposed warlords, Belgian gold smugglers, Bulgarian arms traffickers, Russian mercenaries, North Korean sanctions-busters, transnational terror financing networks, Chinese oil companies, Swiss commodity traders, corrupt government officials from numerous countries, and American banks and businesses. A major part of our approach involves looking for the vulnerabilities within these networks and advocating for the policy tools most relevant to disrupting them. Our investigations have led to actions in numerous countries around the world that have helped build the leverage needed to alter the incentive structures of those responsible for war—and now we're seeing tangible change on the ground in places like Sudan, South Sudan, and the Democratic Republic of the Congo.

Thank You

Building on evidence that The Sentry's model for impact is working, this year we expanded to Zimbabwe, and we are planning to engage in more regions around the world where people and nations are suffering from similar greed-fueled devastation. We could not do this critical work without the generous support of our close partners and supporters. Thank you for your continued investment in our mission.

To learn more about our generous supporters, [please click here](#).