

The Golden Laundromat

The Conflict Gold Trade from
Eastern Congo to the
United States and Europe

By The Sentry
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THE SENTRY

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Cover photo: Enough Project



Executive Summary

An investigation by The Sentry raises significant concerns that gold mined from conflict areas in eastern Democratic Republic of Congo (“Congo”) is reaching international markets, including the supply chains of major U.S. companies and in products that consumers use every day. Documents reviewed and interviews conducted by The Sentry raise serious concern that the corporate network controlled by Belgian tycoon Alain Goetz has refined illegally-smuggled conflict gold from eastern Congo at the African Gold Refinery (AGR) in Uganda and then exported it through a series of companies to the United States and Europe, potentially including Amazon, General Electric (GE), and Sony. According to the United Nations (U.N.), conflict gold provides the largest source of revenue to armed actors in the conflict in eastern Congo,¹ where an estimated 3.3 to 7.6 million people have died.² An estimated \$300 to \$600 million worth of gold is smuggled out of Congo each year.³

According to documents reviewed by The Sentry, AGR exported approximately \$377 million in gold in 2017 to an apparent affiliate of the Belgian gold refinery Tony Goetz NV, based in Dubai.⁴ According to 2018 U.S. Securities and Exchange Commission filings, 283 publicly-traded companies in the U.S. listed the Belgian refinery as an entity that may be in their supply chains,⁵ despite the fact that the refinery failed a major international conflict minerals audit in 2017.⁶ Those same filings indicate that AGR itself, opened in Uganda in 2016 and owned by Goetz,⁷ may also be in the supply chains of 103 publicly traded U.S. companies, including GE and Halliburton.⁸

Numerous sources interviewed by The Sentry identified AGR as sourcing conflict gold from Congo. Twelve different traders and government officials in the region told The Sentry that AGR has taken over a significant portion of the market for gold trafficked from Congo to Uganda and the region,⁹ and Ugandan export records reviewed by The Sentry show that AGR accounted for over 99 percent of gold officially exported from Uganda in 2017.¹⁰ Uganda is the main transit hub for gold smuggled out of Congo, according to the U.N. Group of Experts (with Rwanda growing as such).¹¹ Two major gold smugglers in Congo acknowledged to The Sentry that they illegally trafficked gold from eastern Congo to AGR,¹² and other regional gold traders corroborated these accounts.¹³ Furthermore, four regional traders told The Sentry that gold traffickers Buganda Bagalwa and Mange Namuhanda, who have been named in several U.N. Group of Experts reports on Congo as purchasers of conflict gold,¹⁴ supplied gold to AGR in 2017.¹⁵ AGR specifically denies having received gold from Bagalwa or Namuhanda and denies generally that it has otherwise received significant amounts of undocumented gold from other sources.¹⁶ Goetz has set up a major gold trading hub in Rwanda as well.¹⁷

The activities of the network appear to be noncompliant with both international supply chain due diligence guidance and international anti-money laundering safeguards as the network’s companies buy, refine, and then sell the gold. As a result, the hundreds of publicly listed U.S. companies that may source gold from the refineries in this network are at risk of purchasing conflict gold. Goetz is a director or owner of 14 different companies, from Uganda, Dubai, Belgium, and Luxembourg, and 6 of these companies have the same address in Belgium.¹⁸

For its part, AGR steadfastly maintains that it is committed to refraining from any action that contributes to the financing of conflict and that its due diligence systems are based on international guidance.¹⁹ Further, Tony Goetz NV asserts that it follows strict procedures to avoid sourcing conflict minerals and that it follows all laws and international guidelines.²⁰

Nevertheless, according to documents reviewed and sources interviewed by The Sentry, there is a significant risk that AGR has sourced large volumes of gold from eastern Congo with undocumented origins and lacking



conflict-free certification. Although AGR has confirmed that it sources gold from Congo and that it sources some undocumented gold,²¹ it insists that the latter comes from old jewelry and other scrap sources.²² However, sourcing scrap from countries known to be transit points for conflict gold is a red flag in international due diligence guidance because it can be a loophole for mixing in gold from conflict sources.²³

It is illegal, according to Congolese law, to export gold from artisanal mines that are not certified as conflict-free in Congo.²⁴ An estimated 96 percent of artisanal gold mines in Congo are not certified at present (60 out of approximately 1,499),²⁵ an estimated 71 percent of gold miners work at conflict mines according to the latest independent survey,²⁶ and in 2017 the U.N. Group of Experts said that it had confirmed that nearly all artisanally sourced gold in Congo was exported illegally.²⁷ In sum, nearly all of the gold mined in Congo flowing to Uganda is very likely not from certified mines.

According to Ugandan export records, AGR also exported gold in 2017 to a Dubai-based company that in 2012 had reportedly been one of the most important cash suppliers to Kaloti Precious Metals, the Dubai-based gold refining giant.²⁸ In 2015, a Kaloti refinery was de-listed from the Dubai “Good Delivery” list after

failing to meet the criteria for Good Delivery certification and following a gold sourcing scandal.²⁹ AGR has denied exporting to this company or knowing of the links between the supplier and Kaloti.³⁰



Alain Goetz said in 2017: “Conflict minerals don’t exist. All minerals are created by God. He did not put conflict minerals in the universe.”
Here, Goetz and Museveni launch AGR in 2017.
Photo: The Independent (Kampala).

Goetz’s new gold trading operation in Rwanda is also significant, exporting approximately one ton of gold per month since November 2017 (the equivalent of \$500 million per year),³¹ according to the U.N. Group of Experts.³² The U.N. Group of Experts concluded in 2018 that much of the gold traded in Rwanda and Uganda is smuggled from Congo and/or other neighboring countries.³³

In 2016 and 2017, it appears that Goetz’s network effectively assumed much of the market share previously controlled by another Uganda-based gold trading network run by the directors of Uganda Commercial

Impex, which has been extensively involved in sourcing uncertified gold from eastern Congo for more than a decade, according to the U.N. Group of Experts.³⁴ That network has greatly decreased its trade but remains somewhat active and in competition with Goetz, according to regional experts and the U.N. Group of Experts.³⁵ The smuggling of gold from eastern Congo and the region by hand using commercial airlines also remains a key area of concern.³⁶

The Sentry conducted over 100 interviews with gold miners, traders, and civil society organizations in Congo for this report. The investigation found evidence of armed groups and army commanders collecting illegal taxes on miners, government agents, and businessmen, and of clashes between armed groups and the Congolese army at gold mines. The trail of conflict gold follows a roughly six-step supply chain from eastern Congo to its primary end-products – jewelry, gold bars for investors and banks, and electronics.³⁷



Uganda, where AGR is the only gold refinery, is the main transit hub for smuggled gold from eastern Congo, according to U.N. Group of Experts reports.³⁸ Following AGR's opening, Uganda increased its gold exports by a staggering 85,000 percent, going from exporting approximately \$443,000 worth of gold in 2014 to an estimated \$377 million in 2017.³⁹ AGR signed agreements with a relative of Ugandan President Yoweri Museveni named Barnabas Taremwa, who the U.N. Group of Experts says traded in illegally trafficked gold from Congo,⁴⁰ as well as a former high-level Ugandan official and childhood friend of President Museveni, who resigned from the World Bank following reports of alleged bribery.⁴¹ AGR has halted relationships with both men, but Taremwa has sued.⁴²

Anti-money laundering (AML) practices are another key area of concern for certain companies in the Goetz network. Uganda's Financial Intelligence Authority referred AGR to the Director of Public Prosecutions for prosecution for violation of AML laws.⁴³ However, the case has not gone forward. Some Ugandan officials say this lack of action is a result of Goetz's relationship with President Museveni, who recommended that Uganda give AGR incentives to do business in the country.⁴⁴ AGR denies having any commercial relationship with Museveni or any other senior Ugandan government officials.⁴⁵

It is illegal, according to Congolese law, to export gold from artisanal mines that are not certified as conflict-free in Congo. An estimated 96 percent of artisanal gold mines in Congo are not certified.

Several corporate practices of AGR and the Goetz network of companies appear to raise AML red flags set forth by the Financial Action Task Force (FATF)⁴⁶ and to be inconsistent with U.N. Security Council and Organization for Economic Cooperation and Development (OECD) due diligence guidance on conflict minerals.⁴⁷ The FATF red flags are indicators of potential money laundering that should trigger enhanced scrutiny by banks and other companies.

Potentially noncompliant practices of AGR and/or the Goetz network include failure to report to the national financial intelligence unit (FIU), the risk—described in this report—that it is trading in gold that is mined and traded illegally (which AGR denies),⁴⁸ setting up a complex web of companies with overlapping ownership structures and activities linked to the trade in Congo's gold, and conducting inadequate due diligence given the high risk of sourcing conflict gold. Collectively, such practices raise the risk that AGR may be attempting to hide the origins of high-risk gold from Congo. Indeed, AGR continues to export gold in large volumes despite having received noncompliance notices from Uganda on licensing, disclosure, and registration.⁴⁹ The company maintains that, although it is not licensed by the mining ministry, all of its data is publicly available,⁵⁰ and it has expressed a desire to assist with mapping and traceability.⁵¹ Goetz has insisted his business record is clean. "Conflict minerals don't exist," he stated in 2017. "All minerals are created by God."⁵²

Goetz co-owns Tony Goetz NV, the Belgian refinery whose apparent affiliate directly imports gold from AGR.⁵³ Although the company maintains that it has internal procedures to identify its clients and the origin of its gold, and avoid sourcing conflict minerals,⁵⁴ it failed a third-party audit of the Responsible Minerals Initiative (RMI) in 2017, which includes strict due diligence requirements on conflict minerals. Apple, Intel, and 345 multinational companies use RMI audits as a primary source for determining whether smelters meet responsible sourcing standards.⁵⁵ The RMI audit failure raises the question as to why the refinery remains certified by the main commodities trading association in Dubai, a global gold trading hub, as "Good Delivery," a status that includes conflict-free requirements.⁵⁶ It was due to be re-audited in 2017 under the Dubai program, but no new audit report has been published.⁵⁷ In addition, European press has reported that Belgian authorities were also investigating Tony Goetz NV for possible money laundering.⁵⁸ The company asserts that its activities are in accordance with the law and that it follows strict AML procedures.⁵⁹



AGR marks a return to the region for Goetz. He reportedly made deals with a major rebel group in Congo in 1997,⁶⁰ and the corporate network operated by Goetz and his father is estimated to have purchased over 100 tons of gold worth approximately \$1.1 billion in the 1990s.⁶¹

International due diligence, responsible minerals audits, and AML frameworks were established in order to combat corruption and the deadly conflict minerals trade. Companies that fail such audits, and that do not adhere to such guidance yet continue to sell their minerals internationally must face steep consequences, or else there will be no change in the conflict gold trade that fuels armed conflict. The activities of such companies are a primary obstacle to increasing the conflict-free, responsible gold trade from Congo, which can help de-link the gold trade from conflict and help the Congolese people benefit from their natural resources. The Sentry makes the following recommendations:

Recommendations

1. **Targeted network sanctions.** The United States, U.N. Security Council, and European Union should investigate and, if appropriate, sanction gold refining and trading companies and their beneficial owners discussed in this report. This should be done based on findings of support to persons, including armed groups, involved in activities that threaten the peace, security, or stability of the Congo through the illicit trade in natural resources, for example purchasing gold sourced from areas controlled by armed groups. A conclusion that any of the companies have failed to implement U.N. Security Council and OECD due diligence guidance for conflict and high-risk gold should factor into the analysis of how sanctions are applied.⁶²
2. **Anti-money laundering measures (AML).** The U.S. Department of the Treasury and financial intelligence units (FIUs) in Europe and East Africa should issue advisories to alert financial institutions on conflict and high-risk gold from East and Central Africa, highlighting in particular the significant risks presented by the trade in illicit gold from Congo, Uganda, and Rwanda, as described in this report. The advisories should build on the 2015 Financial Action Task Force (FATF) typology report on gold and money laundering by identifying ways in which gold is used to finance conflict and requesting increased reporting of suspicious activity. The U.S. Department of the Treasury should also investigate and, if appropriate, issue a finding, pursuant to Section 311 of the Patriot Act, that the trade in conflict and high-risk gold with certain traders is a “class of transactions” that constitutes a primary money laundering concern. These actions should be specifically worded to target launderers, but not discourage the legitimate, conflict-free trade.
3. **Prosecutions.** The United States and European Union should urge the Ugandan government to vigorously pursue an investigation of AGR for potential money laundering and, if the investigation concludes that an indictment is warranted, prosecute those responsible for violating the law. Belgium, the United States, and the United Arab Emirates should investigate potential breaches of relevant mining, customs, anti-money laundering, and anti-corruption regulations in relation to AGR, Goetz Gold, Tony Goetz NV, and Uganda Commercial Impex.
4. **Use of AML red flags by banks.** Banks and other gold purchasing companies should conduct enhanced scrutiny and refer to the red flags in the 2015 FATF typology report to assess risks when dealing with the gold refining and trading companies and their beneficial owners identified in this report to ensure that they are not inadvertently aiding in laundering the proceeds of conflict gold.⁶³ They should also ensure to take measures to support the responsible, conflict-free gold trade from Congo.



5. **Due diligence review and delisting/withdrawal of membership.** The Dubai Multi Commodities Centre (DMCC) should immediately review whether to de-list Tony Goetz NV from its “Good Delivery” list.
6. **Improved AML implementation.** The U.S. Department of the Treasury should convene key gold refiners and traders, industry associations, and banks to highlight the need for better implementation of the red flags in the FATF typology report on gold. The United States and European FIUs should follow up with the Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG) on next steps for implementing the FATF typology on gold, including through future mutual evaluations.
7. **Stopping smuggling by plane.** The International Civil Aviation Organization (ICAO) and the World Customs Organization (WCO) should develop rules for airlines to prevent the smuggling of gold by hand on commercial airlines, and donor governments should provide assistance focused on detecting smuggled gold to airlines with routes that service key smuggling airports in the Great Lakes region.

Introduction

Recent violent clashes in gold-rich Beni, Ituri, and other areas of eastern Congo have left thousands of people dead and hundreds of thousands more displaced. Eastern Congo is the site of the world’s deadliest conflict since World War II, with between 3.3 and 7.6 million people estimated to have died.⁶⁴ Armed conflict in Congo has also displaced 4.5 million people, one of the largest numbers of displaced people in the world.⁶⁵ Although the conflicts began for other reasons, and significant political and other dynamics are key factors in them, the gold trade is a central driver of both conflict and corruption. According to the U.N. Group of Experts on Congo, gold is the biggest source of funding for armed groups and criminal networks in eastern Congo.⁶⁶

According to the UN, 4.5 million people are displaced in Congo at present as a result of conflict, and conflict gold provides the largest source of revenue to armed actors in the conflict in eastern Congo.

Photo:
Kitchanga displaced persons camp, North Kivu, Congo. Enough Project



Alain Goetz, however, has denied even the existence of conflict gold. “Conflict minerals don’t exist,” he is quoted as telling a reporter in Uganda, where he opened the African Gold Refinery (AGR) in 2017. AGR is now one of the largest gold refineries on the continent. “All minerals are created by God. He did not put conflict minerals in the universe.”⁶⁷

“You cannot shoot with a mineral,” he continued. “You have to get the mineral, sell it and get money, and then buy guns.”⁶⁸ This statement, of course, implicitly recognizes that without a market for conflict gold, armed groups and criminal networks would not be able to use gold and other precious minerals to finance military operations. AGR further stated to The Sentry that “we have never seen a single military coming-in to our facilities to offer or deal gold with us neither direct nor indirect.”⁶⁹

“Conflict minerals don’t exist.
All minerals are created by
God. He did not put conflict
minerals in the universe.”
-Alain Goetz

Armed actors in eastern Congo profit from the trade of artisanal and small-scale gold through mining, illegal taxation, raiding of mines, and collaborating with smugglers.⁷⁰ Several armed groups trade gold for weapons and ammunition.⁷¹ The human costs and exploitation tied to the conflict gold trade are devastating, despite the fact that artisanal gold mining does provide a livelihood for many Congolese miners. The various armed forces that profit from the trade have killed tens of thousands of people and engaged in extensive human rights abuses,

including sexual and gender-based violence,⁷² against civilians with impunity.⁷³ Child labor,⁷⁴ forced labor, exploitative debt, corporal punishment, and mine collapses are also common in the gold trade.⁷⁵ The trail of conflict gold follows a six-step supply chain from eastern Congo to its main end-products: jewelry, gold bars, and electronics, which accounted for 98 percent of global gold demand in 2017.⁷⁶ The steps are mines; smugglers and traders in Congo; regional smugglers in Congo, Uganda, and the region; traders and refiners in Dubai, Uganda, and Belgium; banks in Switzerland and elsewhere; and jewelers and other end-users worldwide.⁷⁷

According to interviews and documents reviewed by The Sentry, companies controlled by Goetz, including AGR, provide a potential pathway for conflict gold sourced in eastern Congo to reach international markets and the supply chains of U.S. companies. People with direct knowledge of this refiner’s operations told The Sentry that AGR purchases gold that is sourced from conflict-affected areas in eastern Congo. Documents reviewed by The Sentry and statements made by persons with direct knowledge of the matter indicate that AGR appears to be noncompliant with due diligence standards and is being investigated for potential violation of money laundering laws. In mapping the network of companies owned or controlled by Goetz that are linked to the gold trade—from Uganda to the United Arab Emirates to Luxembourg to Belgium—The Sentry has identified what we believe is a substantial risk that gold mined in eastern Congo and refined by Goetz may be ending up in the supply chains of 283 publicly listed companies in the United States, including Amazon, Sony, and GE.⁷⁸

As noted throughout this report, two companies in the Goetz network, AGR and Tony Goetz NV, have insisted, in response to questions posed by The Sentry, that they adhere to international protocols and standards on conflict minerals and do not source conflict gold. Both companies have also indicated that they have strict compliance and Know Your Customer procedures to identify their clients and avoid sourcing conflict minerals. AGR maintains that it fully adheres to the OECD and ICGLR guidance and that all of its suppliers must have valid documents, and claimed that it is committed to contributing to a cleaner gold supply trade in the Great Lakes region and is willing to work with international organizations to do so. AGR also noted that it is a service provision company, not a trading company, and that it handles only the export, shipment, and delivery of gold for its clients.⁷⁹ In response to questions posed by The Sentry, AGR asserted that roughly 90 percent of the



gold that it handles comes from licensed dealers and that the remaining 10 percent comes directly from “accredited mines” in Tanzania, Kenya, Uganda, Rwanda, and Congo.⁸⁰ It stated that the 90 percent comes mainly from the same five countries.⁸¹

Despite these assertions, The Sentry remains concerned about the role these companies may play in the sourcing of conflict gold. First, AGR does not appear to have halted or changed its purchasing practices from Congo⁸² and has apparently continued to export very high volumes of gold despite the very high risks of sourcing gold from neighboring eastern Congo. Twelve different traders and government officials in the region told The Sentry that AGR has taken over a significant portion of the market for gold trafficked from Congo to Uganda and the region,⁸³ and the U.N. Group of Experts concluded that most of the gold going through Rwanda and Uganda is smuggled from Congo and other neighboring countries and is mainly controlled by Goetz.⁸⁴ Second, AGR’s sourcing of undocumented gold that is scrap is concerning, given that this is an internationally recognized loophole, and AGR is apparently only checking the identification cards of the persons providing the scrap, not conducting enhanced due diligence. This is high risk given that approximately 96 percent of Congo’s artisanal gold mines are not certified conflict-free. Third, Tony Goetz NV failed a major international conflict minerals audit, and AGR has not undergone an independent third-party audit through the ICGLR certification process.⁸⁵ Fourth, being a “service provider” does not eliminate the responsibility that AGR has for implementing comprehensive due diligence measures consistent with international standards that apply to both refiners and smelters. AGR has acknowledged that it bears the same due diligence responsibilities as other refiners.⁸⁶ However, The Sentry remains concerned about AGR’s implementation of the OECD due diligence guidance as outlined below.

Sourcing Conflict Gold

Alain Goetz is neither a new nor small player in the gold trade from Congo and the Great Lakes region. His network of companies is estimated to have purchased more than 100 tons of gold in the 1990s, mainly from eastern Congo.⁸⁷ The son of diamond and gold dealer Tony Goetz from Antwerp, Belgium, Alain Goetz became involved in the trade in the 1980s. By 1994, he reportedly had a “near monopoly”⁸⁸ on the region’s gold trade by setting up a refinery and buying network.⁸⁹

When war broke out in Congo in the 1990s, Goetz reportedly made a deal with Laurent-Désiré Kabila’s armed opposition group, the Alliance des Forces Démocratiques pour la Libération du Congo-Zaïre (AFDL), to control

According to academic and NGO reports, Alain Goetz made a deal in 1997 with Laurent-Désiré Kabila’s armed opposition group, the AFDL, to control the gold trade in rebel-held areas in exchange for paying tax to the rebels. Goetz reportedly became the leading gold exporter from AFDL-held territory.

Photo: AFDL rebels, March 1997. Reuters/Corinne Dufka - stock.adobe.com



the gold trade in rebel-held areas in exchange for paying 1.5 percent tax to the rebels.⁹⁰ Goetz reportedly became the leading gold exporter from AFDL-held territory.⁹¹ Buying offices that supplied Goetz's companies were set up under the name Congocom.⁹² One Congocom manager, Kambale Kisoni, became known as "the cashier of the [RCD-ML] rebellion" in the 2000s after Goetz left the region.⁹³ Much of Goetz's gold was reportedly refined in Belgium in the refinery that was later renamed Tony Goetz NV, according to one NGO.⁹⁴ Alain Goetz left the region in 2000, but in 2009 the U.N. Group of Experts alleged that Goetz was back and had purchased gold from a company that sourced gold from the Forces démocratiques de libération du Rwanda (FDLR) rebels.⁹⁵ Goetz denied buying that gold, and Tony Goetz NV said in response to questions posed by The Sentry that it did not purchase gold from the company or maintain relations with it.⁹⁶ By the same token, Goetz admitted to purchasing gold from a Congolese government official in 2009, and Tony Goetz NV also maintained that it had lawfully purchased gold from a Congolese government agency. That purchase, however, appeared to occur under highly irregular circumstances.⁹⁷ Tony Goetz NV stated in response to questions posed by The Sentry that the gold was legally imported through Belgian customs, which did not raise issues with the import. The U.N. Group of Experts also found that the company address of gold smuggler and former Goetz and Congocom employee Mutoka Ruganyira was the same as a Goetz-registered company in Antwerp.⁹⁸ Goetz denied links with Mutoka's company despite having the same name and address, and Tony Goetz NV stated in response to questions posed by The Sentry that the Belgium-based company was

Several people involved in the trade of Congolese gold with direct knowledge of AGR's operations told The Sentry that the company sources gold from conflict-affected parts of eastern Congo.

incorporated seven years earlier and is "an entirely different private limited liability company that provides management services."⁹⁹

Goetz made a high-profile return to the Great Lakes region with the opening of AGR in Entebbe, Uganda. The \$15 million refinery began operating in 2015 but was formally inaugurated in a February 2017 ceremony attended by Ugandan President Yoweri Museveni.¹⁰⁰ Since its launch, AGR has drawn criticism for its potential role in facilitating the trade of conflict minerals.¹⁰¹

According to interviews conducted and documents obtained by The Sentry, there is a significant risk that AGR sources conflict gold from eastern Congo, and that it imports illegally exported artisanal gold mined in eastern Congo. In 2017, according to documents reviewed by The Sentry, AGR refined and exported 9.3 tons of gold,¹⁰² although the company says it exported 7.7 tons.

Several people involved in the trade of Congolese gold with direct knowledge of AGR's operations told The Sentry that the company sources gold from conflict-affected parts of eastern Congo. Two prominent gold smugglers in eastern Congo acknowledged they sold illegally mined and trafficked gold to AGR from 2016-18, which two South Kivu-based traders confirmed.¹⁰³ Furthermore, four gold traders based in eastern Congo and one government official told The Sentry that traffickers Buganda Bagalwa and Mange Namuhanda regularly sold gold to AGR in 2017.¹⁰⁴ In response to



In 2017, according to documents reviewed by The Sentry, AGR exported 9.3 tons of gold, although the company says it exported 7.3 tons. Both figures are far beyond Uganda's domestic production, and AGR acknowledges sourcing from Congo. Photo: AGR website.



questions posed by The Sentry, AGR denied having purchased or refined gold from Bagalwa and Namuhanda.¹⁰⁵ Bagalwa and Namuhanda have been named in several U.N. Group of Experts reports as purchasers of conflict gold.¹⁰⁶ According to multiple South Kivu and Kampala-based traders, Evariste Shamamba, owner of the company Établissement Namukaya, sold smuggled gold from South Kivu to AGR in 2016.¹⁰⁷ Namukaya is also named in several U.N. Group of Experts reports as having purchased gold from areas controlled by armed groups, including the FDLR.¹⁰⁸ Namukaya asserted in correspondence with The Sentry that it only sources from conflict-free mines.¹⁰⁹ Shamamba has reportedly worked with Goetz in the past to traffic gold from rebel-held areas, shared profits with him, and set up a Congocom gold trading office for Goetz in the 1990s.¹¹⁰ AGR denies sourcing gold from traffickers named in U.N. Group of Experts reports and says it refrains from any action that contributes to conflict financing.¹¹¹

The Sentry's investigation yielded multiple reports of armed groups and army commanders collecting illegal taxes on miners, government agents, and businessmen, and of clashes between armed groups and the Congolese army at gold mines.

Photo: Congolese Army soldiers at a gold mine in South Kivu, Congo. Enough Project.



AGR does acknowledge sourcing gold from Congo,¹¹² and one of The Sentry's sources said Goetz told him that AGR refined 100 to 150 kg of gold from Haut Uélé, Ituri, North Kivu, and South Kivu per week, which amounts to 5.2 to 7.8 tons per year.¹¹³ In response to questions posed by The Sentry, AGR said that it sources from accredited mines or scrap sources, and that it does not source from conflict areas.¹¹⁴ The remainder of the gold is likely sourced from Uganda,¹¹⁵ Kenya, Rwanda, and Tanzania.¹¹⁶

Other documents obtained by The Sentry are consistent with the significant risk that conflict gold from eastern Congo may be flowing into AGR. In December 2014, before AGR was fully up and running, Alain Goetz and Tony Goetz NV signed a joint venture agreement with four other parties, including Barnabas Taremwa and Timberfric International, Ltd., a company owned by Taremwa.¹¹⁷ In the agreement, Timberfric's role is described as ensuring the constant supply of gold as a raw material to AGR, and Taremwa and Timberfric were promised 45 percent of all AGR profits.¹¹⁸ The U.N. Group of Experts alleged that Taremwa had engaged in illegal gold trafficking from Congo at the time,¹¹⁹ and four South Kivu and Kampala-based gold traders corroborated this to The Sentry.¹²⁰ Taremwa is also the brother-in-law of Ugandan President Museveni's brother Salim Saleh, who the U.N. Panel of Experts says was involved in the illicit exploitation of natural resources in Congo and the training of paramilitary forces in the late 1990s and early 2000s.¹²¹ Saleh denied these charges.¹²² AGR later cut ties to Taremwa and stated that he "harbors a fantasy of owning AGR," but Taremwa has sued claiming that he was promised co-ownership of the company, a claim AGR denies.¹²³



Skirting certification?

Over the past decade, consumers and civil society groups in several countries around the world have prompted governments, international institutions, and industry groups to develop laws and standards designed to halt the illicit trade in conflict minerals.

The certification and regulatory regime for gold in Congo and the Great Lakes region is designed to provide assurance to buyers that gold legally sourced and exported is “conflict-free,” a designation which means that it has not benefited either state or non-state armed groups. According to Congolese law, only artisanal gold that is sourced from mines that have been officially assessed and validated as “conflict-free” by a consortium of government, civil society, business, U.N., and donor representatives is eligible for legal export.¹²⁴ This means that such legally sourced gold must conform to the OECD Due Diligence Guidance and be compliant with the Regional Certification Mechanism of the International Conference on the Great Lakes Region (ICGLR). Artisanal gold traded from non-validated sites is therefore illegal. To date, only an estimated four percent of mines in Congo have been assessed and validated as conflict-free (60 out of approximately 1,499),¹²⁵ and in 2017 the U.N. Group of Experts said that it had “confirmed that almost all artisanally sourced gold in the Democratic Republic of the Congo was exported illegally and underestimated in both value and volume.”¹²⁶ In sum, nearly all of the gold mined in Congo flowing to Uganda is not from certified conflict-free mines.

While AGR says that it complies with regional and international guidelines on conflict minerals,¹²⁷ The Sentry’s investigation raises substantial concerns about whether AGR and certain companies in the Goetz network are using these systems or instead sourcing undocumented, non-certified gold from eastern Congo. AGR, meanwhile, claimed in response to questions posed by The Sentry that it conducts detailed checks on its clients by inspecting the documents of its gold suppliers.¹²⁸ According to Congolese law, only artisanal gold sourced from mines officially assessed and validated as “conflict-free” by teams of government, civil society,

the U.N., and donor representatives may be legally exported.¹²⁹ AGR says that it also sources from Uganda, Rwanda, Kenya, and Tanzania and that it does not contribute to conflict financing.¹³⁰



Gold from various sources in eastern Congo is reported to be typically mixed together by trader/smugglers or export houses in Bukavu and Butembo before it is exported.

Photo: Enough Project.

Accordingly, when buying artisanal and small-scale gold from Congo, the risks of purchasing illegally mined and exported conflict gold are very high. Indeed, only an estimated four percent of gold mines are certified as conflict-free, and 71 percent of gold miners in eastern Congo work at mines controlled by armed actors.¹³¹ In addition, gold from various sources in eastern Congo is typically mixed together by traders, smugglers or export houses in Bukavu and Butembo before it is exported.¹³² For example, one Congolese mining official estimated to The Sentry that approximately 700 kg of gold is produced per month in conflict-affected Lubero, North Kivu.¹³³ The



gold is then consolidated in Butembo before being sold to Uganda.¹³⁴ There are also reports of smuggling gold to certified mines, and of theft of gold export certificates.¹³⁵ If a refiner purchases from such traders and smugglers in Congo, particularly in large volumes, it is likely that part of this gold is conflict gold that has benefited armed groups.

Compliance with Supply Chain Due Diligence Standards?

Goetz, who is active throughout the gold supply chain, has complained publicly about the conflict minerals certification standards. “We have to get audited for responsible sourcing of minerals,” Goetz said in 2017. “We spend \$100,000 a year to be audited, just papers. And they charge you anything because you want to get money from the bank, you have to get audited. It is useless, just useless.”¹³⁶

However, according to people familiar with Goetz’ operations, information collected by The Sentry, and statements by Goetz and other corporate officers, AGR and at least one other company tied to Goetz appear to have failed to adequately implement U.N. Security Council and OECD Due Diligence Guidance on conflict and high-risk minerals despite AGR’s high-risk location and its broad claims of adherence to the standards.¹³⁷ The OECD Guidance was recognized by the U.S. Securities and Exchange Commission as a way for companies to implement the Dodd-Frank law Section 1502 and has been adopted into law in Congo.¹³⁸

One company in the network, Tony Goetz NV, failed a major international conflict minerals audit accredited by the Responsible Minerals Initiative (RMI) in 2017.¹³⁹ RMI conducts independent third-party audits of minerals refiners and smelters on sourcing and procurement practices to ensure they are sourcing only conflict-free minerals. Around 81 percent of the world’s refiners and smelters of gold, tantalum, tin, and tungsten are active in the program.¹⁴⁰ Tony Goetz NV was removed from the active list in November 2017 for failure to meet the audit requirements, according to RMI, which oversees the audits.¹⁴¹ Tony Goetz NV is also

Tony Goetz NV failed a major international conflict minerals audit accredited by the Responsible Minerals Initiative (RMI) in 2017.

not, and never has been, accredited as “Good Delivery” by the London Bullion Market Association, and is therefore not subject to its stringent conflict-free third-party audits and sourcing requirements.¹⁴² Tony Goetz NV, meanwhile, said in response to questions from The Sentry that it has internal procedures to identify its clients and the origins of gold in order to avoid sourcing conflict minerals and is not active in Congo.¹⁴³

Regarding AGR’s due diligence, The Sentry has unsuccessfully attempted to verify AGR’s assertion that it conducts adequate due diligence, and several company practices appear to fall short of the

OECD guidance.¹⁴⁴ Moreover, while AGR has maintained that it does not deal in undocumented gold, Goetz has publicly stated that AGR does so and that it has “limited resources to map each and every gram reaching our facility.”¹⁴⁵ It later stated in response to questions posed by The Sentry that it indeed deals in some undocumented gold from scrap dealers, and that it cross-checks the dealer(s)’ identification card.¹⁴⁶ Indeed, Goetz similarly appeared to suggest in May 2017 that AGR’s only due diligence on undocumented gold sellers is to “examin[e] their identification and cross check it.”¹⁴⁷ He added that AGR wants to expand its due diligence procedures, but this was after the company had already refined at least \$236 million in gold in 2015 and 2016.¹⁴⁸ AGR later stated in response to questions posed by The Sentry that its due diligence includes Know Your Customer procedures that require each potential client to submit certificates of incorporation, licenses, and audited statements.¹⁴⁹



Despite AGR's claim to be in accordance with OECD guidance, these procedures appear to be inconsistent with the U.N. and OECD guidance.¹⁵⁰ The guidance states that companies should design and implement a strategy to respond to and mitigate risks. The steps outlined above appear to be insufficient in that regard. The OECD's suggested measures include alerting governments of abusive and exploitative practices in the supply chain,¹⁵¹ and establishing a chain of custody that collects disaggregated data for all gold from a red-flagged supply chain, including the mine of origin, locations where the gold is consolidated, the corporate structures and military affiliations of all corporate officers, all tax payments, and all payments to security forces for every gold input.¹⁵²

There appears to be no mention of these actions by AGR on its website or in its public documents reviewed by The Sentry. However, the company insisted in response to questions posed by The Sentry that it adheres to the OECD guidance and requires each potential client's documents to include certificates of incorporation, trading licenses, minerals dealers' licenses, audited financial statements, and other documents.¹⁵³

A statement on AGR's website notes that it helps miners in their applications for licenses and conducting audits, which would ensure that gold mining revenues would be kept out of the hands of rebels and is controlled instead by miners themselves.¹⁵⁴ The company only mentions rebel groups, yet the Guidance clearly applies also to mines controlled by the army or other public security forces.¹⁵⁵ That said, AGR's stated step would constitute a measure under OECD Step 3,¹⁵⁶ but on its own is insufficient given the very high risks of sourcing undocumented gold from the conflict zone of eastern Congo and the numerous other measures suggested under Step 3 of the OECD and U.N. guidance. AGR does not mention taking any of those steps on its website or in other public documents reviewed by The Sentry. AGR has also said that it adheres to the International Conference of the Great Lakes Region (ICGLR) standards, but it has not undergone an ICGLR audit unlike other major minerals exporters in the region.¹⁵⁷ AGR said in response to questions posed by The Sentry that it has appointed an external company to conduct a compliance audit in 2018, but per the ICGLR certification process, third-party auditors are appointed only by the ICGLR Audit Committee rather than by the auditee, something that AGR has acknowledged.¹⁵⁸

While AGR has maintained that it does not deal in undocumented gold, Goetz has publicly stated that AGR does so and that it has "limited resources to map each and every gram reaching our facility."

Moreover, AGR appears to fall far short of the recommendation in the guidance to demonstrate measurable improvement in eliminating the risk within six months, and if no measurable improvement has occurred within those six months, to halt sourcing from the high-risk areas and/or suppliers for a minimum of three months.¹⁵⁹ Since AGR commenced operations in Uganda, the U.N. Group of Experts and international and local NGOs have reported little to no improvement in the conflict gold trade in eastern Congo and continue to highlight extensive smuggling.¹⁶⁰ With no documented, measurable improvements, it is reasonable to expect that AGR would halt sourcing from Congo. But this has not occurred.

Based on The Sentry's review of publicly available information, it appears AGR has also failed to implement the recommendation in the U.N. and OECD guidance to publicly report on its due diligence policies and practices.¹⁶¹ There are no publicly available AGR annual reports or annual corporate social responsibility reports on this topic. Former AGR Chairman Richard Kaijuka says that his efforts to ensure AGR adhered to accountable, transparent corporate governance practices and sourced gold responsibly were "in vain."¹⁶² AGR responded by stating that Kaijuka no longer had a formal connection with the company, and that his "personal perceptions and views... have nothing to do with AGR and do not reflect the company's position in any way."¹⁶³



Furthermore, public statements suggest that AGR's efforts to conduct proper due diligence are insufficient. Goetz has stated that only 0.1 percent of gold mines in eastern Congo are controlled by armed groups, which contradicts U.N. and IPIS reports that show the majority of gold mines are conflict-affected.¹⁶⁴ He is also on record denying the existence of conflict gold.¹⁶⁵ The OECD Guidance states that refiners should identify and assess supply chain risks.¹⁶⁶ At least three red flags in the OECD Guidance for refiners are relevant for gold from Congo and AGR's supply chain, which are supposed to trigger enhanced due diligence.¹⁶⁷ Yet the assessment of risks by Goetz himself seems incongruent with the regional reality.

AGR has also acknowledged that it cannot map all the gold it receives,¹⁶⁸ and that it is not an accountable entity under anti-money laundering laws in Uganda because it merely refines the gold.¹⁶⁹ In response to questions posed by The Sentry, AGR does recognize that it has equal responsibility for conducting due diligence as other refiners, and that its procedures are based on international guidance.¹⁷⁰ From a due diligence standpoint, refiners are no different from other participants in the supply chain and the OECD and U.N. guidance state that they apply to gold refiners, something that AGR acknowledges.¹⁷¹ Furthermore, there is at least reason to suspect that AGR buys gold. Trade insiders told The Sentry that AGR buys gold, and Goetz reportedly decides on the price paid to traders, as well as arranging terms and scheduling of payment.¹⁷² Ugandan export records indicate that AGR exports gold: it exported 9.3 tons of gold in 2017, although AGR says it exported 7.7 tons.¹⁷³ Goetz's original AGR project proposal sent to President Museveni in 2014 calls into question the company's commitment to due diligence. In the document, Goetz, on behalf of Tony Goetz NV, states that AGR should attract gold from the region and that any gold traders who do not have official documents should be allowed to sell gold to AGR but pay a \$500 penalty.¹⁷⁴ For traders, that would be a fraction of Congo's national 2 percent export tax, not to mention the higher provincial taxes.¹⁷⁵ This would therefore suggest that it may have been a proposal to monetize the illegal trafficking of gold that is inconsistent with the OECD and U.N. Guidance and the ICGLR certification process.¹⁷⁶ The Sentry does not have information that that policy was ever implemented by AGR.

Goetz's original project proposal for AGR states that any gold traders who do not have official documents should be allowed to sell gold to AGR but pay a \$500 penalty.

A similar pattern emerges when examining the Goetz network's operations through the lens of the Dubai Multi-Commodities Centre (DMCC) due diligence guidance.¹⁷⁷ From Uganda, AGR's gold flows to other Goetz-controlled companies in Dubai. The DMCC was scheduled to audit another company in the Goetz network, Tony Goetz NV, in 2017, but no new audit report has been

published.¹⁷⁸ Despite the lack of an updated audit, Tony Goetz NV remains a Dubai Good Delivery (DGD) member today. It had passed the DMCC's audit on responsible practices in 2015 based on its 2014 activities – before AGR was launched.¹⁷⁹ The credibility of the DMCC auditing system was called into question in 2014 after it allegedly lowered its standards when one of its member refineries appeared to be sourcing conflict gold,¹⁸⁰ and the DMCC is not cross-recognized by the major international conflict-free audit programs.¹⁸¹ Nonetheless, some international buyers recognize the DMCC standard. As an accredited DMCC member, Tony Goetz NV must comply with DMCC due diligence rules.¹⁸² According to the guidance, DMCC members should develop a plan to control risks.¹⁸³ For high risk supply chains, the control mechanism is to suspend trading activities and gather more information to refute red flag risk assessments.¹⁸⁴ In order to respond to the high level of risk presented by undocumented gold trafficked from eastern Congo, Dubai-based buyers should suspend trading or disengage. Yet AGR, Goetz Gold, or Tony Goetz NV do not appear to have taken this step (although AGR and Goetz Gold are not DMCC members). As noted above, AGR exports nearly all of the gold it refines to Goetz Gold, and there is a significant risk that AGR sources uncertified conflict gold from Congo. Annex 2 provides a more detailed list of the DMCC red flags related to the Goetz network.



Potential Money Laundering: Investigations and Red Flags

Goetz has suggested that the mineral sector in Congo is unfairly scrutinized, asserting that other transactions—including monetary transactions—should be subject to the same degree of certification. “If... you say conflict dollars, why not source [certify] all the dollars in the world?” Goetz said in 2017. “Why don’t you go to the U.S. and say, what are you doing with all these conflict dollars?”¹⁸⁵ However, the financial industry is in many ways subject to significantly more oversight and scrutiny than the mineral trade. Many governments around the world have adopted relatively comprehensive anti-money laundering laws and regulations. Banks—especially those that conduct transactions in U.S. dollars—have clear international standards for imposing robust compliance regimes, undertaking due diligence on their customers, and reporting suspicious transactions.



Uganda's Financial Intelligence Authority (FIA) has written to the country's director of public prosecutions to request that AGR be prosecuted for violations of the anti-money laundering law.

Photo: The Sentry.

Two companies in the Goetz corporate network, AGR and Tony Goetz NV, have reportedly been investigated by Ugandan and Belgian government agencies for possible violation of anti-money laundering laws. Uganda's Financial Intelligence Authority (FIA) has written to the country's director of public prosecutions to request that AGR be prosecuted for violations of Uganda's anti-money laundering law.¹⁸⁶ One published report suggests that AGR may have omitted to report as much as \$1 billion to authorities.¹⁸⁷ Additionally, according to press reports, Tony Goetz NV has been investigated by Belgian authorities for possible money laundering.¹⁸⁸

Beyond these investigations, documents reviewed by The Sentry indicate that some of AGR's business practices appear to raise “red flags” as indicators of potential money laundering as established by the world's leading intergovernmental body on anti-money laundering, the Financial Action Task Force (FATF). These red flags should trigger enhanced scrutiny by banks and other companies,¹⁸⁹ and are designed to aid companies and banks that work with companies dealing in gold by helping to determine when additional scrutiny on activities that may be money laundering should be triggered. The full list of red flags that relate to the Goetz network is outlined below in Figure 1. The net effect of red flag behavior is to hamper scrutiny of the network's operations while obfuscating the gold's origins and destination.



The first FATF red flag potentially relevant to AGR is non-reporting to the relevant financial intelligence unit (FIU).¹⁹⁰ On this front, AGR appears to run afoul of Uganda's FIU, the FIA, for failure to register and, as a result, to report on suspicious activities. The FIA's request for prosecution came after the company reportedly refused to register with the FIA and provide a copy of its license, which the FIA says violated Uganda's anti-money laundering (AML) law.¹⁹¹ Additionally, Ugandan law stipulates that metals dealers must conduct specific due diligence.¹⁹² AGR eventually responded to the FIA, stating that it is not subject to the Anti-Money Laundering Act because it is not a "dealer" of precious metals and gems.¹⁹³ However, the FIA disputes AGR's claim that it is not a dealer.¹⁹⁴ Furthermore, FATF's AML guidance equally applies to refiners such as AGR.¹⁹⁵ A red flag is raised when entities fail to register and refuse to report on transactions as necessary because of the possibility that the reason for non-reporting is involvement in illicit activity. AGR said in response to questions posed by The Sentry that it met with the FIA in November 2017 and that a non-reporting procedure was agreed. Despite this claim, AGR produced no evidence of any such agreement, and the FIA has not issued any public statements regarding any such agreement. AGR subsequently acknowledged to The Sentry that there is in fact no written agreement with the FIA but that it has not heard from the FIA since late 2017, and that it has a Manufacture Under Bond license.¹⁹⁶

The second category of money laundering red flags relates to the sourcing of gold from illegal mining areas. The FATF highlights that refiners' processing of illegally mined gold is an under-enforced, high-risk area because without greater diligence by refiners on the source of the gold they process, terrorists or armed groups can exploit illegal mining areas and reap the financial benefits once refiners pay for it.¹⁹⁷ Since an estimated 96 percent of Congo's artisanal gold mines lack conflict-free validation status, and because it is illegal to export from them according to Congolese law, AGR's potential sourcing of gold from those areas raises a red flag. This is further described below as it also relates to the topic of due diligence.

Two other Ugandan agencies, the mining ministry¹⁹⁸ and the Inspector General of Government (IGG), also investigated AGR for reasons that implicate the FATF AML red flags, specifically with respect to those related to trade-based activity.¹⁹⁹ These investigations were based on apparent conflicting data submitted by AGR to the mining ministry and the Uganda Revenue Authority.²⁰⁰ While the ministry reportedly gave AGR export permits for only 93 kg of gold between July 2016 and September 2017 (worth about \$3.7 million),²⁰¹ AGR in fact exported 57 times that amount—5.3 tons of gold (worth approximately \$212 million)—during this period.²⁰² The Sentry has reviewed a 2016 mining ministry notice of noncompliance to AGR, alleging that it had "flouted" export procedures in order to avoid paying taxes²⁰³ and asking AGR to provide trade data as required by Ugandan law and its list of suppliers.²⁰⁴ AGR denies that it failed to comply with these requirements and said in response to questions posed by The Sentry that it is licensed by the finance ministry, not the mining ministry, but that all of the relevant information is publicly available.²⁰⁵ Full payment of taxes is also a part of the OECD and U.N. due diligence guidance.²⁰⁶ Meanwhile, the IGG reportedly conducted a "broader investigation" of AGR, though AGR said in response to questions posed by The Sentry that that case was dropped and that it adheres to all Ugandan laws.²⁰⁷

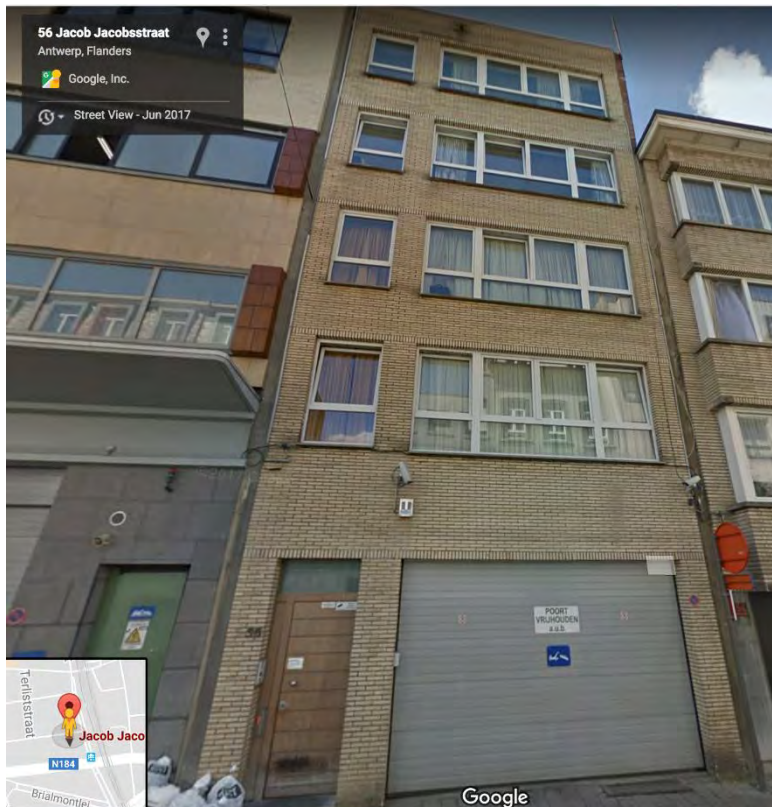


Figure 1. FATF money laundering risks related to AGR and the Goetz network of companies²⁰⁸

FATF red flags for money laundering activity (and underlying predicate activity)		Comment re: AGR and the Goetz network
<p>Non-reporting to the FIU by the gold industry organizations (where there is an obligation to report).</p>	✓	<p>AGR has refused to register with the Uganda FIU, the Financial Intelligence Authority, despite several letters from the FIU.</p>
<p>Production and commercialization of gold by a person or business without a license;</p> <p>The development of mining activities in prohibited areas;</p> <p>The development of mining activities without compliance with the administrative, technical, social and environmental regulation.</p>	✓	<p>Approximately 96 percent of artisanal gold mines in Congo are not certified as conflict-free, and it is illegal to export gold from them, per Congolese law. 62 percent of gold mines in eastern Congo have the presence of at least one armed actor. Goetz stated publicly in 2017 that AGR imports undocumented gold from Congo, and two major Congo-based traders acknowledge supplying AGR, which was confirmed by four other traders. In 2018, AGR denied sourcing undocumented gold and asserted that it conducts detailed checks on the gold it refines,²⁰⁹ but then later said that it indeed accepted some undocumented gold from small scale gold dealers.²¹⁰ Based on the information discussed in this report, the Sentry believes there is a significant risk that much of the gold refined by AGR comes from Congo.</p>
<p>Significant number of companies registered to one natural person.</p> <p>Use of a corporate structure of shell companies located across the jurisdiction;</p> <p>The transaction involves the use of front or shell companies.</p>	✓	<p>AGR CEO Alain Goetz, his wife, and brother are directors or owners of at least 15 companies in four countries, several of which have stated purposes in the gold trade, and others control the gold trading companies. The Sentry has been unable to establish the operations of eight of the 15 companies which are registered at the address in Antwerp next door to Tony Goetz NV. These include Belgian Precious Metals Industries, Alaxy BVBA, WWG Diamonds, CG-Vastgoed Invest, Orofino, Worldwide Consulting, European Guarantee Agency International, and GSS NV (see Annex 1).</p>
<p>Gold is shipped to or from a jurisdiction designated as 'high risk' for money laundering activities.</p>	✓	<p>Congo, where there is significant cause for concern that large volumes of AGR's gold is sourced, is a high-risk money laundering jurisdiction.</p>
<p>Registration of a trading company in a tax haven even though its business relates to another jurisdiction.</p>	✓	<p>The bulk of gold refined by AGR is not from Uganda, yet Uganda offers a zero percent tax. Further, Alain and Sylvain Goetz transferred ownership of the Belgian refinery Tony Goetz NV to Argor International SA, a company they control based in the tax haven of Luxembourg.</p>



The third category of FATF AML red flags that appears relevant to AGR and the Goetz network is the significant number of companies registered to one person and the overlapping ownership structure.²¹¹ When interviewed by The Sentry in 2017 about what happens to gold refined by AGR, AGR senior management stated that it does not sell the gold but rather merely refines the gold and did not specify the destination companies for the gold.²¹² Because of the significant risk that AGR sources large amounts of gold from eastern Congo,²¹³ the company would likely have trouble selling gold directly to multinational companies or banks. However, neither Tony Goetz NV nor its affiliates have been identified as high-risk. As a result, it is possible for Goetz to sell AGR's gold with little worry by transferring it to other companies in his network.²¹⁴



Seven companies where Alain Goetz and/or his close family members are directors are registered at this address in Antwerp, Belgium, directly adjacent to Tony Goetz NV. Photo: Google.

Ugandan export documents reviewed by The Sentry indicate that AGR exports to other companies in Goetz's network, mainly to Goetz Gold.²¹⁵ Alain Goetz and/or his wife and brother are directors of at least 15 different companies that have complex and at times opaque, structures. At least seven of the companies are associated with AGR (see Annex 1). Additionally, seven of the companies are registered to the same address in Belgium, a small office building directly adjacent to Tony Goetz NV (see Annex 1).

Despite Tony Goetz NV's claims that it is not an owner or part-owner in AGR,²¹⁶ it appears from documents reviewed by The Sentry that AGR is connected to Tony Goetz NV through a series of companies. Tony Goetz NV was AGR's original 99 percent shareholder in 2014.²¹⁷ In November 2015, Alain Goetz replaced Tony Goetz NV as the primary shareholder, albeit with the same listed address as Tony Goetz NV.²¹⁸ As of 2018, Tony Goetz NV is owned by Alain and his brother Sylvain Goetz through a Luxembourg-based company.²¹⁹

According to documents reviewed by The Sentry, Goetz sought the intercession of President Museveni in 2014 in order to gain a 10-year tax break for AGR.²²⁰ Three years later, that became a reality when President Museveni announced a pending zero percent tax rate essentially benefitting only AGR.²²¹ This, in turn, potentially relates to a fourth FATF AML red flag that is applicable to the Goetz network: registration of a trading company in a tax haven even though its business relates to another jurisdiction. While Uganda is not a traditional tax haven, as a practical matter, it presently serves as one for gold refining since Uganda changed its tax structures on gold to attract gold companies. While it certainly is more stable to operate in Uganda than in Congo, most of AGR's gold appears to come from outside of Uganda, where it is based and doesn't pay export taxes.²²² By contrast, other companies exporting gold from Uganda pay a one or five percent export tax, depending on whether they import and then



re-export the gold (one percent tax) or whether they procure the gold from within Uganda and then export it (five percent tax).²²³ Additionally, the Goetz network's transfer of ownership of Tony Goetz NV to a company based in the tax haven of Luxembourg owned by the Goetz brothers is another red flag along these lines.²²⁴



At the time of this writing, AGR has not been prosecuted for money laundering in Uganda. Documents reviewed by The Sentry indicate the company has links to Ugandan President Museveni, who ordered the Finance Ministry to discuss incentives for AGR (which it then granted) and presided at the official opening ceremony of the refinery in 2017,²²⁵ and to President Museveni's childhood friend, Richard Kaijuka, who was appointed as chair of AGR's board. Kaijuka served as an alternate executive director of the World Bank until he resigned over alleged bribery.²²⁶ AGR states that he terminated in mid-2017.²²⁷ In response to questions posed by The Sentry, AGR denied having a commercial relationship with any Ugandan officials, including Museveni.²²⁸

Despite Tony Goetz NV's representation that it is not an owner or part-owner in AGR, documents reviewed by The Sentry suggest that AGR is connected to Tony Goetz NV through a series of companies. Tony Goetz NV was AGR's original 99 percent shareholder. In November 2015, Alain Goetz replaced Tony Goetz NV as the primary shareholder, albeit with the same address as Tony Goetz NV.

Photo: The Sentry.

CERTIFIED TRUE COPY


We, the several persons whose names, addresses and descriptions are hereunto subscribed are desirous of being formed into a Company in pursuance of this Memorandum of Association and we respectively agree to take the number of shares in the capital set opposite our respective names.

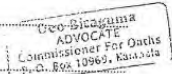
NAMES, POSTAL ADDRESSES AND OCCUPATIONS OF SUBSCRIBER	NUMBER OF SHARES TAKEN BY EACH SUBSCRIBER	SIGNATURES OF SUBSCRIBER
TONY GOETZ JACOB JACOBSTREET 58-2018, ANTWERP BELGIUM BUSINESS EXECUTIVE	99	
MOSES SADOORI P.O.BOX 8520, KAMPALA BUSINESS EXECUTIVE	1	

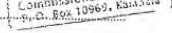
REGISTRAR OF COMPANIES
KAMPALA

Dated at Kampala this... 17 ... day of ... 2014.

WITNESS TO THE ABOVE SIGNATURES:

Signature: 

Name in Full: 

Postal address: 

Occupation:



Conflict gold flowing to North America and Europe?

The Sentry has mapped the network of companies owned or controlled by Goetz that are linked to the gold trade, from Uganda to the UAE to Luxembourg to Belgium, through examining corporate registration documents, court filings, and export records in each of these countries. Several of these companies are involved in the supply chain for AGR. From Uganda, gold refined by AGR is transferred almost exclusively to companies owned or controlled by Goetz, according to Ugandan export records reviewed by The Sentry.²²⁹ It is mainly transferred to an apparent affiliate of Tony Goetz NV called Goetz Gold based in Dubai (99 percent in 2017), but the documents also show that AGR exported gold in 2015-17 to Agor DMCC, Belgian Precious Metals Industries (both companies controlled by Goetz) and to Alain Goetz himself.²³⁰ Other documents corroborate these trade flows. Data reviewed by The Sentry shows that AGR exported 936 kg of gold to the UAE in March 2016,²³¹ and U.N. trade statistics show that Uganda exported \$332 million worth of gold to the UAE in 2016 and \$7.5 million to Belgium.²³²

The flow of gold to the Tony Goetz NV apparent affiliate company is important because Tony Goetz NV likely sells directly or indirectly to major U.S. corporations. It was listed as potentially being in the supply chain for 283 publicly listed companies in the United States, including Amazon, Sony, and GE, according to 2018 U.S. Securities and Exchange Commission filings.²³³ Furthermore, AGR itself is listed as potentially being in the supply chain for 103 publicly traded companies in the United States, according to the same filings.²³⁴ This raises the question of whether conflict gold is entering major U.S. supply chains.



According to 2018 US Securities and Exchange Commission filings, AGR may be in the supply chains of 103 US publicly traded companies, including GE and Halliburton.
Photo: The Sentry. Kampala, Uganda, October 2018.

More recently, Goetz has also set up a second major regional gold hub in Rwanda. He has reportedly been exporting gold in Rwanda since 2017,²³⁵ and Rwanda has begun exporting around one ton of gold per month since November 2017, most of which is controlled by Goetz, according to the U.N. Group of Experts.²³⁶ At current prices, that would equal over \$500 million per year.²³⁷ The U.N. Group of Experts reports that most of the gold going through Rwanda and Uganda is smuggled from Congo and other neighboring countries.²³⁸ Goetz has also reportedly entered into a partnership with the Rwandan government to build a gold refinery in Rwanda,²³⁹ which is currently under construction.²⁴⁰ Similar to Uganda, Rwanda has also seen a major surge in gold exports, rising from \$8.1 million in 2014 to \$242.5 million in 2017, a near 3,000 percent increase.²⁴¹ Gold is now one of Rwanda's

largest export commodities²⁴² despite the country's very low domestic production,²⁴³ and the UAE is its most important trading partner. However, Rwanda does not produce nearly that amount of gold. The Sentry has reviewed an internal Rwandan government study of gold production capacity from July 2016 which indicates an overall production capacity of merely 20-30 kg per annum.²⁴⁴



From Congo to the United States, continued: The links between AGR, the Goetz family, and the refinery Tony Goetz NV

Company	Link to AGR
Belgian Precious Metals Industries (BPMI) ²⁴⁵	Imported 175 kg of gold from AGR worth approximately \$7.4 million in 2016. ²⁴⁶ At that time, BPMI's managing director was Sylvain Goetz, and its directors were Alaxy BVBA (whose sole shareholder is Alain Goetz), and Worldwide Consulting (controlled by Sylvain and his wife Ann Hilkmann, as of June 2018) ²⁴⁷ and listed address was adjacent to Tony Goetz NV. ²⁴⁸ There is further overlap with AGR, as the new managing director of BPMI, Cherry Ann Dacdac, is a director at AGR. ²⁴⁹
Agor DMCC ²⁵⁰	Imported 1.4 tons of gold from AGR in 2015-16 worth approximately \$56.5 million in 2016. ²⁵¹ Co-owned by Alain Goetz. ²⁵² Linked to Tony Goetz NV. ²⁵³ Registered in Dubai. Same phone, fax, and PO Box address as Goetz Gold, LLC and additional linkages to Tony Goetz NV and Goetz Gold LLC. ²⁵⁴
Goetz Gold, LLC ²⁵⁵	Imported 9.3 tons of gold from AGR in 2017, which AGR says was 7.7 tons, and 4.5 tons of gold from AGR in 2015/16 worth approximately \$169 million. ²⁵⁶ "Preferred partner" of AGR. ²⁵⁷ Apparent affiliate of Tony Goetz NV. ²⁵⁸ Registered in Dubai but listed headquarters is the Tony Goetz NV address in Belgium. ²⁵⁹ Additional linkages to Tony Goetz NV and Agor. ²⁶⁰
Tony Goetz NV ²⁶¹	Did not pass a third-party audit accredited by the Responsible Minerals Initiative in 2017. ²⁶² Listed as possibly being in the supply chain for 283 US-listed companies in 2018. ²⁶³ Owned by Alain and Sylvain Goetz through a company in Luxembourg, Argor International SA, as of 2018. ²⁶⁴ As of December 2017, Tony Goetz NV's managing directors were CG-Vastgoed Invest (permanently represented by Alain Goetz) and Alaxy BVBA (where Alain Goetz is the sole shareholder, and his wife Sandra Weyler is permanent representative). ²⁶⁵ Was the 99 percent shareholder in AGR when AGR was founded. ²⁶⁶ Address is directly adjacent to 7 companies controlled by Alain Goetz and family.

Conclusion

The conflict gold trade sustains ruthless armed groups such as the FDLR and Congolese army units that commit mass atrocities, sexual violence, and other human rights abuses against the population of eastern Congo. It is critical that actors in the international community, especially global banks that trade gold and the consumers of gold, know the origins of the precious metal they are buying. More importantly, governments and companies need to take action against the corporate networks that traffic conflict gold and move it into the global economy.



Annex 1: The complex, overlapping web of companies controlled by Alain Goetz and family

Company	Description
African Gold Refinery (AGR) ²⁶⁷	At first was controlled by Tony Goetz NV. Signed Joint Venture with Aldbra, Ltd. Then ownership changed to Alain Goetz (who controls 999 out of 1,000 shares). ²⁶⁸ Registered in Uganda. Listed as possibly being in the supply chains of 103 publicly traded U.S. companies in 2018. ²⁶⁹
Tony Goetz NV ²⁷⁰	Belgian refinery that did not pass a third-party audit accredited by the Responsible Minerals Initiative in 2017. ²⁷¹ Listed as possibly being in the supply chain for 283 US-listed companies in 2018. ²⁷² Transferred to Alain and Sylvain Goetz in 2001, ²⁷³ and owned by Alain and Sylvain Goetz through a company in Luxembourg, Argor International SA, as of 2018. ²⁷⁴ As of December 2017, Tony Goetz NV's managing directors were CG-Vastgoed Invest (permanently represented by Alain Goetz) and Alaxy BVBA (where Alain Goetz is the sole shareholder, and his wife Sandra Weyler is permanent representative). ²⁷⁵ Was the 99 percent shareholder in AGR when AGR was founded. ²⁷⁶ Address is directly adjacent to 7 companies controlled by Alain Goetz and family.
Argor International SA ²⁷⁷	Controlled by Alain Goetz and brother Sylvain, as of 2018. ²⁷⁸ Owns the shares of Tony Goetz NV. ²⁷⁹ Registered in Luxembourg. Lists Alain's address in Dubai.
Agor DMCC ²⁸⁰	Controlled by Alain Goetz. ²⁸¹ Linked to Tony Goetz NV. ²⁸² Registered in Dubai. Imported 1.4 tons of gold from AGR in 2015-16 worth approximately \$56.5 million in 2016. ²⁸³ Same address as Goetz Gold, LLC and additional linkages to Tony Goetz NV and Goetz Gold LLC. ²⁸⁴
Goetz Gold, LLC ²⁸⁵	Apparent affiliate of Tony Goetz NV. ²⁸⁶ Registered in Dubai but listed headquarters is the Tony Goetz NV address in Belgium. ²⁸⁷ AGR exported more than 14.6 tons of gold in 2016-17 to Goetz Gold, worth approximately \$585 million. ²⁸⁸ "Preferred partner" of AGR. ²⁸⁹ Other linkages to Tony Goetz NV and Agor. ²⁹⁰
Belgian Precious Metals Industries (BPMI) ²⁹¹	Imported 175 kg of gold from AGR worth approximately \$7.4 million in 2016. ²⁹² At that time, BPMI's managing directors were Sylvain Goetz, and its directors were Alaxy BVBA (whose sole shareholder is Alain Goetz), and Worldwide Consulting (controlled by Sylvain and his wife Ann Hilkmann, as of June 2018) ²⁹³ and listed address was adjacent to Tony Goetz NV. ²⁹⁴ There is further overlap with AGR, as the new managing director of BPMI, Cherry Ann Dacdac, is a director at AGR. ²⁹⁵
Aldabra Ltd ²⁹⁶	Permanent representative was Alain Goetz as of December 2017, registered in Dubai. ²⁹⁷ As of August 2017, was Managing Director of Tony Goetz NV, ²⁹⁸ but was removed from this role in December 2017. ²⁹⁹
Aldbra Ltd	AGR signed a Joint Venture Agreement in December 2014 with this company (in other documents named Aldabra), based in Uganda, and Goetz signed on behalf of this company in the agreement. ³⁰⁰
Alaxy BVBA (previously named Berkenrode BVBA) ³⁰¹	Alain Goetz was the only shareholder as of June 2018, and his wife Sandra Weyler was permanent representative. ³⁰² As of June 2018, Alaxy BVBA was a Managing Director of Tony Goetz NV. Registered in Belgium, address is directly adjacent to Tony Goetz NV. Name changed from Berkenrode to Alaxy BVBA on December 4, 2009, eleven days after



	Berkenrode was mentioned in a U.N. Group of Experts report on Congo. ³⁰³ Tony Goetz NV stated in response to questions posed by The Sentry that the Berkenrode mentioned the U.N. report has no relationship with the Berkenrode based in Belgium. ³⁰⁴
CG - Vastgoed Invest ³⁰⁵	Founded by Alain Goetz. As of June 2018, Managing directors were Alaxy BVBA (controlled by Alain Goetz) and Worldwide Consulting (whose managing director is Sylvain Goetz). Registered in Belgium. Address directly adjacent to Tony Goetz NV.
European Guarantee Agency International ³⁰⁶	As of June 2018, Managing Director was Sylvain Goetz, Directors were Alaxy BVBA (controlled by Alain Goetz), and Worldwide Consulting. ³⁰⁷ Deals in precious metals analysis and evaluation. Registered in Belgium. Address is directly adjacent to Tony Goetz NV.
GSS NV (formerly Gold and Silver Systems) ³⁰⁸	As of June 2018, Managing Director was Alain Goetz, and Director was Alaxy BVBA (whose sole shareholder is Goetz). ³⁰⁹ Registered in Belgium. Address is directly adjacent to Tony Goetz NV.
Orofino NV ³¹⁰	As of June 2018, Managing directors were Alain Goetz and Alaxy BVBA (controlled by Goetz). ³¹¹ Set up by Berkenrode and Argor International. Registered in Belgium. Address is adjacent to Tony Goetz NV.
WWG Diamonds ³¹²	As of June 2018, co-owned by Alain and Sylvain Goetz. Registered in Belgium. Address adjacent to Tony Goetz NV. Lists Alain's address as Luxembourg.
Asteco SA ³¹³	As of September 2015, Alain Goetz was a director, ³¹⁴ together with Yves Puttemans, Marjorie Golinvaux, MS Gestion. Registered in Luxembourg. Lists Alain's address in Dubai.
Worldwide Consulting	As of June 2018, shareholders were Sylvain Goetz and his wife Ann Hilkmann, and listed address is directly adjacent to Tony Goetz NV. ³¹⁵ Director or Managing Director in several other Goetz companies.



Annex 2: Dubai Multi-Commodities Centre (DMCC) risks associated with Tony Goetz NV and the Goetz Network

DMCC Risk Factors for geographical location of gold	Finding
Origin and transportation	Congo; undocumented
The level of government regulation and supervision	Low
The extent of cash transactions used in the country	High
The level of conflicts or human rights abuses	High
Payment systems used (formal banking vs. informal)	Often informal
Level of involvement of criminal organizations	High
Level of access from a country to nearby markets or processing operations that are termed as conflict and/or high risk areas	High
Level of enforcement of laws addressing significant criminal activity	Low
Existence of sanctions and/or embargoes that have been directed against the country and individuals/entities in that country	Multiple sanctions

DMCC Risk Factors for counterparties in the supply chain	Finding
KYC information of the company's suppliers as identified in Step 1 should include information about the origin and transportation of the gold and precious metals	Undocumented – insufficient information
Red flags (detailed in point 2 of this section) in any aspect of the entire supply chain	Multiple red flags
Number of suppliers i.e. the greater, the higher the risk	Large number in Congo
Level of control that the counterparty has over its suppliers	Limited
Level and adequacy of due diligence practices of the counterparty	Undocumented – inadequate
Whether the counterparty due diligence practices have been audited by a qualified third party auditor	No
For how long the counterparty has been in the gold and precious metals business (the longer, the lower the risk)	Long time, but named in U.N. GoE reports
Politically exposed persons that have been entrusted with prominent public functions or individuals who are closely related to such persons	Yes



DMCC location-based red flags	Finding
The gold and precious metals originate from or have been transported through a conflict-affected or high-risk area	✓
The gold and precious metals are claimed to originate from a country that has limited known reserves or stocks, likely resources or expected production levels of gold and precious metals (i.e. the declared volumes of gold and precious metals from that country are in excess of its known reserves and/or expected production levels)	✓ Burundi and Uganda
The gold and precious metals are claimed to originate from recyclable/scrap or mixed sources and has been refined in a country where gold and precious metals from conflict-affected or high-risk areas is known or reasonably suspected to transit	✓ Yes, refined in Uganda
In each of these location-based red flag considerations, the risk is increased when anti-money laundering laws, anti-corruption laws, customs controls and other relevant government laws are weakly enforced, informal banking systems operate, and cash is extensively used	✓

DMCC supplier-based red flags	Finding
Suppliers or other known upstream companies operate in one of the red flagged locations of gold and precious metals' origin and transportation, or have shareholder(s) or other interests in suppliers of gold and precious metals from one of the above-mentioned red flag locations of gold and precious metals' origin and transportation	✓
Suppliers or other known upstream companies are known to have sourced gold and precious metals from a red flagged location of gold and precious metals origin and transit in the last 12 months	✓

DMCC circumstances-based red flags	Finding
Anomalies or unusual circumstances that are identified through the information collected in Step 2 give rise to reasonable suspicion that the gold and precious metals may contribute to conflict or serious abuses associated with the extraction, transportation of and/or trading in gold and precious metals	✓



Methodology

This report is based on extensive field and documentary research into illegal gold trafficking networks operating in eastern Congo. The findings are based upon direct observation and upon over 100 interviews with gold miners, mine site operators, gold traders, transporters, traffickers, refiners, civil society representatives, law enforcement agents, military personnel, non-state armed actors, local and national government officials, and international experts. Interviews were conducted in Congo, Burundi, Rwanda, Tanzania, Uganda, and the UAE. Several individuals with direct knowledge of the conflict gold trade spoke to The Sentry under the condition that their names would not be revealed.

The Sentry endeavored to contact the persons and entities discussed in this report and afford them an opportunity to address the information gathered during the course of our investigation prior to the report's completion. In most cases, these persons and entities did not respond to The Sentry's email or telephone requests that they speak with us and respond to our questions. Responses that were received—in particular from AGR, Tony Goetz NV, and Namukaya—have been included in our analysis and are otherwise reflected in the report itself. In order to distinguish comments received by The Sentry through this response process with other publicly available statements from these entities, the report specifically notes which statements were received "in response to questions posed by The Sentry."

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The Sentry follows the illicit money in order to create consequences for those benefiting from genocide or other mass atrocities in Africa, and to build leverage for peace and human rights. This report was made possible in part by the support of the Schwab Charitable Fund and by the generosity of Open Square Charitable Gift Fund, with special thanks to Wynnette LaBrosse.

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Citations

¹ “Gold remains by far the mineral most used to finance armed elements and criminal networks,” and “is the most lucrative and easily smuggled of the natural resources.” U.N. Security Council, “Midterm report,” S/2016/1102, p. 2, available at http://www.securitycouncilreport.org/atf/cf/%7B65BF9B-6D27-4E9C-8CD3-CF6E4FF96FF9%7D/s_2016_1102.pdf; U.N. Security Council, “Final report of the Group of Experts (2016),” S/2016/166, para. 115, May 23, 2016, available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2016/166

² This is as of 2007, and no reliable study has been conducted since then. As Anthony Gambino notes, “The IRC itself has stated: “The true number could be as low as 3.1 million or as high as 7.6 million. While the precise number will never be known – it is clear that millions of people died unnecessarily because of the war.” I fully agree “that millions of people died unnecessarily because of the war,” and that the IRC provides the key evidence for this. I note that my point estimate of 3.3 million falls within IRC’s own confidence interval. In effect, I am arguing that the low end of the IRC confidence interval is likelier to be the most accurate estimate of excess mortality for the 1998-2007 period.” Anthony W. Gambino, “Democratic Republic of Congo,” in *World Development Report, 2011*, World Bank Group, March 2, 2011, pp. 30-34, available at

<http://documents.worldbank.org/curated/en/642841468247291959/pdf/620290WP0Democ0BOX0361475B00PUBLIC0.pdf>; International Rescue Committee, “Mortality in the Democratic Republic of Congo,” 2007, available at http://www.rescue.org/sites/default/files/resource-file/2006-7_congoMortalitySurvey.pdf

³ This was the U.N. Group of Experts’ estimate in 2013, but is likely significantly higher now, according to independent analysts. Kevin Kelley, “EA fingered in \$400m worth of DR Congo gold smuggled to Uganda,” *The East African*, February 8, 2014, available at <http://www.theeastafrican.co.ke/news/Smuggled-400m-DR-Congo-gold-fuels-war-2558-2198074-82g9nc/index.html>; Kira Zalan, “Tracing conflict gold in the Democratic Republic of Congo,” *Global Post*, June 23, 2017, available at <https://www.pri.org/stories/2017-06-23/tracing-conflict-gold-democratic-republic-congo>

⁴ Uganda Revenue Authority Export Statistics for gold, 2017, reviewed by The Sentry. Ugandan export records reviewed by The Sentry show that AGR exported 9.3 tons of gold. For 2015/16, this was made up of 49 shipments from January to July 2016 for a total of 4.221 tons of gold. With the average price of gold at approximately \$40,000 per kilogram during that time, the value equals \$52.24 million. See www.goldprice.org. For 2017, this was made up of 120 shipments, worth approximately \$377 million. However, AGR stated in response to questions posed by The Sentry that it exported 7.7 tons of gold in 2017. Email communication with AGR, August and October 2018. Goetz Gold is listed as the UAE office for Tony Goetz NV on the websites for both companies. Goetz Gold states on its website that Tony Goetz NV is the head office and refinery for the company. Goetz Gold also lists Tony Goetz NV as one of its two preferred partners on its website, and AGR stated in response to questions posed by The Sentry that Goetz Gold is a preferred partner of AGR. Goetz Gold states that it is an independent company that was set up by one of the shareholders of Tony Goetz NV. See <http://www.goetzgold.com/companydetail.php?pagesid=12>. AGR stated in response to questions posed by The Sentry that it is not a trading company, but rather a service provision company. “AGR handles the export, shipment and delivery of gold as part of the services that we offer to our clients.” It also says that it has never exported gold to Tony Goetz NV. AGR clarified to The Sentry that “Preferred partner refers to the service provider (Goetz Gold LLC) and another party who is willing or allowed to deliver their products (AGR). Being a preferred partner provides pre-determined advantages and privileges between the parties.” Email communication with AGR, August and October 2018.

⁵ Securities and Exchange Commission 2018 filings, Form SD, available at https://searchwww.sec.gov/EDGARFSCClient/jsp/EDGAR_MainAccess.jsp?search_text=%22tony%20goetz%22&sort=Date&formType=FormSD&isAdv=true&stemming=true&numResults=10&fromDate=01/01/2018&toDate=09/01/2018&numResults=10

⁶ According to Leah Butler of the Responsible Minerals Initiative: “Tony Goetz NV was removed from the Responsible Minerals Assurance Program Active List in November 2017 for failure to meet RMAP audit standards requirements. RMI is not able to share details of companies’ audits beyond what is provided on the RMI website. Audit information is protected by our program’s non-disclosure agreements with auditees and auditors.” Interview with Leah Butler, Responsible Minerals Initiative, January 24, 2018. In response to questions posed by The Sentry, Tony Goetz NV stated that it “has developed internal procedures to allow it to identify its clients and the origin of the precious metals, in



order to avoid sourcing of so-called conflict minerals. In this respect, please note that Tony Goetz NV is not active in the Democratic Republic of Congo. ... By strictly following internal compliance procedure, Tony Goetz NV guarantees that its activities and all transactions are in accordance with its obligations under national law and international guidelines that exceed Belgian regulatory requirements." Correspondence with Tony Goetz NV, August 2018.

⁷ Goetz owns 999 out of 1000 shares in AGR. Ugandan registration document for AGR reviewed by The Sentry.

⁸ Securities and Exchange Commission 2018 filings, Form SD, available at

https://searchwww.sec.gov/EDGARFSCClient/jsp/EDGAR_MainAccess.jsp?search_text=%22african%20gold%22&sort=Date&formType=FormSD&isAdv=true&stemming=true&numResults=10&fromDate=01/01/2018&toDate=12/31/2018&numResults=10

⁹ The U.N. Group of Experts reported in 2016 that a Congo-based exporting network named Cavichi had engaged in significant gold smuggling. Between February and July 2017, two Kampala-based major gold traders, five Ituri-based mine operators, and three South Kivu-based major gold traders, as well as a Congolese and Ugandan mining governance official, told The Sentry that AGR had become one of the most significant buyers of ASM gold from four provinces of eastern Congo. Sentry interview with Ugandan official, April 2017; Sentry interview with Congolese mining official, June 2017; Sentry interviews with five mine operators based in eastern Congo, June 2017; Sentry focus group discussion with miner's cooperative in eastern Congo, June 2017; Sentry interviews with three major gold traders in eastern Congo, March 2017; Sentry interview with gold trader based in eastern Congo, March 2017; U.N. Security Council, "Final report of the Group of Experts (2016)," S/2016/166, May 23, 2016, available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2016/466

¹⁰ However, there is also gold illegally smuggled out of Uganda that does not make it into official statistics. Uganda Revenue Authority exports for 2017 reviewed by The Sentry.

¹¹ U.N. Security Council, "Final report of the Group of Experts (2017)," S/2017/672, August 4, 2017, para. 122, available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2017/672; "The Group notes that, in addition to Uganda, Rwanda is now becoming a major gold exporter in the Great Lakes region in the amount of 1 ton per month. The Group confirmed that, as is the case with Uganda, the official export route is controlled by Alain Goetz. Information gathered by the Group showed that a large part of the gold traded by Uganda and Rwanda is sourced fraudulently from neighbouring countries, including the Democratic Republic of the Congo." U.N. Security Council, "Final Report of the Group of Experts," S/2018/531, June 4, 2018, p. 21, available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2018/531

¹² Sentry interviews with two Congo-based gold traders, October 2016, March 2017, August 2017, and March 2018.

¹³ Sentry interview with gold trader, March 2017; Sentry interview with gold trader, February 2017; Sentry interviews with two South Kivu-based gold traders, June 2017 and December 2017.

¹⁴ U.N. Security Council, "Final Report of the U.N. Group of Experts on the DRC," S/2014/42, p. 38, para. 172; available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2014/42; U.N. Security Council, "Final Report of the U.N. Group of Experts on the DRC," S/2012/843, para. 187, available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2012/843; See also Sara Geenen, *African Artisanal Mining from the Inside Out: Access, Norms and Power in Congo's Gold Sector*, 2015, p. 122.

¹⁵ Sentry interview with regional gold trader, March 28, 2017; Sentry interview with Congo-based gold trader, March 29, 2017; Sentry interview with Congo-based gold trader, March 23, 2017; Sentry interview with regional gold trader, April 2, 2017.

¹⁶ AGR stated in response to questions posed by The Sentry, "To the best of our knowledge and in the context of our internationally approved procedures AGR has never purchased or refined gold from Buganda Bagalwa or Mange Namuhanda. ... AGR has not purchased or refined gold from individuals named as traffickers in U.N. GoE on DRC reports. ... The U.N. Group of Experts noted that AGR representatives met and corresponded with them on several occasions to answer detailed questions about their operations and the refinery which AGR opened in Entebbe in 2017. AGR remains in contact with the Group and hopes to maintain an open dialogue with it with regards our future plans for the refinery and major reforms for gold the sector." Email communication with AGR, August 2018.

¹⁷ The U.N. Group of Experts on Congo stated in its June 2018 report that, "In addition to Uganda, Rwanda is now becoming a major gold exporter in the Great Lakes region in the amount of 1 ton per month. The Group confirmed that, as is the case with Uganda, the official export route is controlled by Alain Goetz. Information gathered by the Group showed that a large part of the gold traded by Uganda and Rwanda is sourced fraudulently from neighbouring [sic] countries, including the Democratic Republic of the Congo." U.N. Security Council, "Final Report of the Group of Experts," S/2018/531, June 4, 2018, p. 21, available at



http://www.un.org/ga/search/view_doc.asp?symbol=S/2018/531; See also, Africa Confidential, “The Great Lakes Gold Rush,” March 23, 2018, available at <https://www.africa-confidential.com/index.aspx?pageid=7&articleid=12279>

¹⁸ See Annex 1 for more detailed information.

¹⁹ As explained more fully in the Methodology, AGR was among those entities referenced in this report that responded to The Sentry’s requests for comment. Specifically, AGR stated: “AGR is committed to refraining from any action which contributes to the financing of conflict. We will neither tolerate nor by any means profit from, contribute to, assist with or facilitate the illegal trafficking of gold. As such AGR has not purchased or refined gold from individuals named as traffickers in U.N. GoE on DRC reports. ... We are fully committed to supply chain transparency and support all efforts by the U.N. and the international community to establish practical and workable solutions to current vulnerabilities. We take note that the U.N. Group concluded, ‘that AGR could contribute to a cleaner gold trade in Uganda.’ This is certainly the firmly held view of AGR and the Government of Uganda and we shall be working with all interested parties to ensure this happens.” Email communication with AGR, August 2018. AGR elaborated further in a subsequent response: “AGR’s Due Diligence Management System is based on the OECD Due Diligence Guidance on Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and the Gold Supplement to the OECD Due Diligence Guidance. Apart from this, AGR’s Anti-Bribery Policy & Compliance Handbook is implemented and maintained to eliminate the risks of corruption and money laundering associated with the sourcing of gold: <http://www.gold.africa/wp-content/uploads/2017/02/Anti-Bribery-Policy-Compliance-Handbook-1.pdf>. AGR has similar responsibility as any other refinery yes, we received the guidance from our lawyer (Tem Advocates) AGR’s in-house legal team while AGR complies with these guidelines and endeavors to maintain the highest standards in the responsible sourcing.”

²⁰ In response to questions posed by The Sentry, Tony Goetz NV stated, “By strictly following internal compliance procedure, Tony Goetz NV guarantees that its activities and all transactions are in accordance with its obligations under national law and international guidelines, that exceed Belgian regulatory requirements. Tony Goetz NV obtained the Dubai Good Delivery certificate for the first time in 2015.... As set out above, Tony Goetz NV has developed internal procedures to allow it to identify its clients and the origin of the precious metals, in order to avoid sourcing of so-called conflict minerals. In this respect, please note that Tony Goetz NV is not active in the Democratic Republic of Congo.” Email correspondence with Tony Goetz NV, August 2018.

²¹ AGR has made varying statements about dealing with undocumented gold. In April 2017, AGR CEO Alain Goetz said in a speech to the OECD that, “Specifically, AGR is dealing with 2 categories of gold: Documented gold... [and] Undocumented gold.” In email correspondence with The Sentry in August 2018, AGR then stated, “AGR does not handle or source undocumented gold. The AGR compliance team conducts detailed checks on our first phase clients by inspecting the relevant documents of the supplier of the raw material. All suppliers of AGR must have the valid documents to operate as mines or mineral dealers. We have turned down a considerable number of individuals who did not have the relevant and necessary documentation.” However, in October 2018, AGR told The Sentry that it “is still accepting what we called the *undocumented gold* or [sic] *small scale gold dealers*, particularly from Kampala market, that includes: old jewelry, damaged or old chains, used necklace, bracelets, dental scrap and other scrap jewelries. The person is being checked by presenting his/her original identification card subject for cross checking and verification by our compliance person.” Email communication with The Sentry, October 2018. Speech of Alain Goetz, CEO of AGR, during session on ‘Gold from the Great Lakes Region’, OECD Conference May 2017 in Paris, available at <http://www.agr-afr.com/wp-content/uploads/2016/08/OECD-Speech-Alain-Goetz-OECD-Conference-2017.pdf> Then-AGR Chairman Richard Kajjuka said that in terms of sourcing gold for AGR, “The focus is regional ... we are looking at gold from the entire region, from Tanzania, from DRC and other countries.” Forbes, “Smugglers Take Sheen From Uganda’s Bright Gold Refinery,” July 19, 2017, available at <https://www.forbesafrica.com/investment-guide/2017/07/19/smugglers-take-sheen-ugandas-bright-gold-refinery/>; AGR CEO Alain Goetz told The Observer (Kampala), “We have our own suppliers from Congo. We have an office in Bukavu in DR Congo, which will start operations soon. At the same time, we shall have a centre in Bunia and in Butembo to get the gold.” Jeff Mbangwa, “Conflict gold is just normal gold, says mineral expert,” *The Observer (Kampala)*, March 15, 2017, available at <http://www.observer.ug/business/51777-conflict-gold-is-just-normal-gold-says-mineral-expert.html>; Kajjuka told Reuters in July 2017 that “We have even got gold from West Africa, from the Democratic Republic of Congo, from Tanzania.” Elias Biryabarema, “Ugandan firm to open gold refinery by end of 2016,” Reuters, September 22, 2016, available at <https://af.reuters.com/article/ugandaNews/idAFL8N1BY1RO>; Global Witness also reported that “At least some of Uganda’s gold exports are likely to be from Congo and South Sudan.” Rodney Muhumuza, “Uganda launches gold refinery, amid fears of dirty minerals,” AP, February 20, 2017, available at



<https://apnews.com/3667f32ed9a94701beebae9ca02add46>. Additionally, Kaijuka was quoted by Global Witness saying the gold is taken to the refinery's door steps and that it doesn't matter where it comes from. Business Focus Uganda, "Uganda Not Refining Illicit DRC Gold – Gov't," July 5, 2017, available at <http://businessfocus.co.ug/uganda-not-refining-illicit-drc-gold-govt/>; Finally, when asked if AGR's gold would be supplied from DRC and South Sudan, Goetz said "there is no embargo on gold or minerals from South Sudan or DRC." AFP, "Uganda gold refinery raises alarm over conflict minerals," February 22, 2017, available at <https://www.news24.com/Africa/News/uganda-gold-refinery-raises-alarm-over-conflict-minerals-20170222>; "Uganda opens refinery, to import from South Sudan, Congo," *The Vanguard*, February 21, 2017, available at <https://www.vanguardngr.com/2017/02/ugandan-opens-gold-refinery-import-south-sudan-congo/> In correspondence with The Sentry in 2018, AGR said that "Approximately 90% of the gold that AGR handles comes from approved licensed dealers. Only 10% comes directly from the mining sector. This 10% can be divided roughly equally between accredited mines in Tanzania, Kenya, Uganda, Rwanda and DRC. ... AGR has numerously stressed that none of the gold comes from South Sudan have been processed at the facility." Email correspondence with The Sentry, August 2018 and October 2018.

²² Ibid – AGR statements.

²³ The OECD Due Diligence Guidance states that a red flag in the due diligence process for gold refiners is if "The gold is claimed to originate from recyclable / scrap or mixed sources and has been refined in a country where gold from conflict-affected and high-risk areas is known or reasonable suspected to transit." The Responsible Minerals Assurance Process Gold Refiner Standard for Audits states that "For all recycled gold, the auditee shall demonstrate that the gold received is recycled material and record the weight and gold content (as estimated by the gold supplying counterparty or determined by an assay)." Furthermore, the London Bullion Market Association (LBMA) also states that recycled gold from countries known to be transit points for conflict gold is high risk and should trigger enhanced due diligence: "The Recycled Gold comes from a country where gold from conflict-affected and human rights abuse high-risk areas are known, or reasonably suspected, to transit." Human Rights Watch stated in its 2018 report on human rights and jewelry supply chains that "using recycled gold is not risk-free either, as it can be used for money laundering or wrongly labeled as recycled." "OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas Supplement on Gold," OECD Publishing, 2012, p. 20, available at <http://www.oecd.org/corporate/mne/GoldSupplement.pdf>; Responsible Minerals Assurance Process, "Gold Refiner Standard" June 2018, available at

http://www.responsiblemineralsinitiative.org/media/docs/standards/RMI_Gold%20Refiner%20Standard_FINAL.pdf; London Bullion Market Association (LBMA), "LBMA Responsible Gold Guidance," 2017, available at http://www.lbma.org.uk/assets/downloads/responsible%20sourcing/Responsible_Gold_Guidance.pdf; Human Rights Watch, "The Hidden Cost of Jewelry," February 2018, available at <https://www.hrw.org/report/2018/02/08/hidden-cost-jewelry/human-rights-supply-chains-and-responsibility-jewelry>; See also Marc Choyt and Greg Valerio, "Recycled Gold: How ethical is it really?," September 14, 2016, <https://gregvalerio.com/tag/global-witness/> (accessed October 2018).

²⁴ Global Witness, « River of Gold, » July 5, 2016, p. 19, available at

<https://www.globalwitness.org/en/campaigns/conflict-minerals/river-of-gold-drc/>; DRC Ministry of Mines, "Arrete Ministeriel No. 0057 Cab.Min/Mines/01/2012 du 29 Feb 2012 Portant Mise en Oeuvre du Mechanisme Regional Certification de la Conference Internationale sur la Region des Grands Lacs « CIRGL » en Republique Democratique du Congo, » February 29, 2012. See also Government Accountability Office, "Conflict Minerals: Information on Artisanal Mined Gold and Efforts to Encourage Responsible Sourcing in the Democratic Republic of the Congo," August 2017, p. 10, available at <https://www.gao.gov/assets/690/686745.pdf>

²⁵ In Congo, this is known as the mine "validation" process, which is one step of the ICGLR certification process, and is undertaken by multi-stakeholder teams. Sixty out of an estimated 1,499 gold mine sites have been validated as conflict-free (green). DRC Ministry of Mines and Cooperation Allemande, "Resume des Qualifications et Validations Ainsi Que des Audits CTC des Sites Miniers en RDC de Juin 2011 a Décembre 2017, » April 2018, available at http://cosoc-gl.org/wp-content/uploads/2018/03/Bulletin_MRC-CTC_vf2017121.pdf; Mine data from the International Peace Information Service, available at <http://ipisresearch.be/home/conflict-mapping/maps/open-data/>.

²⁶ The most recent independent, comprehensive survey of artisanal gold mines across eastern Congo was conducted by the International Peace Information Service (IPIS), which surveyed 559 gold mines in 2015-16. Conflict mines are defined as working in the permanent or regular presence of an armed actor at the mine site and includes 55,990 miners at conflict mines out of 79,213 gold miners in total. Relatedly, 62 percent of gold mines in eastern Congo are controlled by armed actors, as of the survey data. Armed actors include illegal armed groups and Congolese public security forces. IPIS, Mines and Armed Groups dataset, 2015-16 gold mines, available at



<http://ipisresearch.be/home/conflict-mapping/maps/open-data/>; For further explanation of the data between 2013 and 2015, see IPIS, “Analysis of the interactive map of artisanal mining areas in eastern DRC Congo, 2015 Update,” Antwerp, October, 2016, available at http://ipisresearch.be/wp-content/uploads/2016/10/Analysis-and-map-artisanal-mining-DR-Congo_v005-1.pdf

²⁷ U.N. Security Council, “Final report of the Group of Experts (2017),” S/2017/672, p. 23, August 8, 2017, available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2017/672;

²⁸ That company is Motiwala Jewellers, based in the UAE. Ugandan Customs records from July 2017 reviewed by The Sentry. The address of the Motiwala Jewellers listed on the Uganda Customs record matches that of several websites listing Motiwala’s address in the UAE. According to the Society for Threatened Peoples, “Motiwala is one of Kaloti’s most important cash suppliers, with cash transactions from Kaloti to Motiwala in 2012 amounting to \$527,337,847.51.” AGR stated in response to a question from The Sentry on this issue that “AGR have not exported to Motiwala in 2017. On the other hand, AGR is not aware of the relationship between Motiwala and Kaloti Precious Metals.” Society for Threatened Peoples, “Switzerland - a Hub for Risky Gold?”, March 2018, p. 48, available at https://www.gfbv.ch/wp-content/uploads/bericht_gold_englisch_maerz_18.pdf

²⁹ This was the Al Kaloti Jewellers Factory LTD (later called “Kaloti Gold Factory LLC” in a subsequent DMCC press release), which was de-listed by the DMCC on April 4, 2015. The DMCC noted that this did not affect all Kaloti companies: “Kaloti Jewellery International DMCC is a separate legal entity to Kaloti Gold Factory LLC. Kaloti Jewellery International DMCC continues to be a DMCC licensed member company operating under the DMCC Free Zone rules and regulations.” In response to the delisting, “‘Kaloti Precious Metals can confirm that its refinery in Sharjah will no longer carry Dubai Good Delivery status.’ It went on to say a new refinery in Dubai due to start operations later this year will apply for DGD status and that the delisting will have ‘no material impact on our ability to operate or trade.’” Kaloti denied claims that it failed to comply with the audit process or regulations, and denied that it sourced gold from conflict zones. “We accept that we had some shortcomings in our initial report, these were quickly rectified to the full satisfaction of our external auditors and the regulators.” DMCC, “Dubai Good Delivery Gold Members: Former List,” July 2, 2018, p. 5, available at https://www.dmcc.ae/application/files/4515/3189/5579/DGD_List-_Gold_Alphabetical_-_Final-02-07-2018.pdf; DMCC, “Notice: Kaloti Gold Factory LLC placement on former list of DMCC’s Dubai Good Delivery refineries,” September 2015, available at https://www.dmcc.ae/application/files/9215/0936/2973/Notice_Kaloti_Gold_Factory_LLC_placement_on_former_list_of_DMCCs_Dubai_Good_Delivery_refineries.pdf; Anthony McAuley, “DMCC removes Kaloti from Dubai Good Delivery list over gold sourcing,” *The National (UAE)*, April 13, 2015, available at <https://www.thenational.ae/business/dmcc-removes-kaloti-from-dubai-good-delivery-list-over-gold-sourcing-1.34979>; Simon Bowers and Juliette Garside, “Confidential papers raise fears over conflict gold,” February 24, 2014, available at <https://www.theguardian.com/business/2014/feb/25/conflict-gold-global-market-trading-kaloti>

³⁰ See note 28.

³¹ U.N. Security Council, “Final Report of the Group of Experts,” S/2018/531, June 4, 2018, p. 21, available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2018/531; As of June 11, 2018, the average gold price in 2018 has been approximately \$42,000/kg. See www.goldprice.org

³² U.N. Security Council, “Final Report of the Group of Experts,” S/2018/531, p. 21.

³³ “Information gathered by the Group showed that a large part of the gold traded by Uganda and Rwanda is sourced fraudulently from neighbouring countries, including the Democratic Republic of the Congo.” U.N. Security Council, “Final Report of the Group of Experts,” S/2018/531, June 4, 2018, p. 21.

³⁴ That is the network run by the directors of Uganda Commercial Impex. U.N. Security Council, “Final report of the Group of Experts (2017),” S/2017/672, p. 27, August 8, 2017, available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2017/672; U.N. Security Council, “Final report of the Group of Experts (2016),” S/2016/166, May 23, 2016, available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2016/166; U.N. Security Council, “Final Report of the Group of Experts on the Democratic Republic of the Congo,” S/2015/19, p. 141, January 12, 2015, p. 42, available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2015/19; U.N. Security Council, “Final Report of the Group of Experts on the Democratic Republic of the Congo,” S/2008/773, para. 100, available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2008/773; U.N. Security Council, “Final Report of the Group of Experts on the Democratic Republic of the Congo,” S/2014/42, para. 184, available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2014/42; U.N. Security Council, “Final Report of the Group of



Experts on the Democratic Republic of the Congo,” S/2009/603, para. 133 and 243 available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2009/603.

³⁵ According to *Africa Confidential*, “long-established Kampala-based gold-traffickers, such as J.V. Lodhia (aka Chuni), the patriarch of the Lodhia family, which is behind UCI Ltd, remain very much in competition with Goetz to buy gold from Congo-K. They have their own high-level connections in the Ugandan government.” “The Great Lakes Gold Rush,” *Africa Confidential*, March 23, 2018; Sentry interview with U.N. Group of Experts, April 18, 2018; Sentry interviews with regional gold trader and a Congo-based gold trader, January 2018 and March 2018.

³⁶ U.N. Security Council, “Report of the Group of Experts on the DRC,” S/2018/531, June 8, 2018, p. 24.

³⁷ The first two categories are the most important and together, accounted for 91 percent of global gold demand in 2017. World Gold Council, “Gold Demand Trends Third Quarter 2017,” November 7, 2017, available at <https://www.gold.org/download/file/6379/gdt-q3-2017.pdf> World Gold Council figures for 3Q2017 demand indicate that out of 915 tons of total global gold demand, 479 tons went for jewelry, 241 tons went to investment demand, 111 tons went to Central Bank net purchases, and 84 tons went to technology. The six general steps are mines, local smugglers and traders in Congo, regional smugglers; traders and refiners in Uganda, Dubai, and Belgium; banks in Switzerland and elsewhere, and jewelers worldwide. The Enough Project described this trade in further detail: “From the mines, the smuggled gold mainly flows to a handful of exporters in two of eastern Congo’s cities, Bukavu in South Kivu and Butembo in North Kivu. The exporter/smugglers control a network of middlemen traders called *négociants* who go to the mines and buy the gold from the bosses of the mining cooperatives, or at times, miners themselves, and then bring the gold to large-scale exporters in Bukavu and Butembo. The exporters have their traders carry the gold by hand to Uganda, Burundi, and Tanzania. From Uganda, traders smuggle the gold mainly to Dubai, in the United Arab Emirates, where laws allow people to hand-carry gold with very few checks on its origins. In Dubai, the gold is sold to the gold market (*souk*) and to refineries and then exported to India or Switzerland, to be either further refined to a higher purity level or made directly into jewelry. Banks then buy a significant portion of the gold for investors and sell a large percentage to jewelers.” Enough Team, “From Child Miner to Jewelry Store: The Six Steps of Congo’s Conflict Gold” (Washington, The Enough Project, October 2012), available at <http://www.enoughproject.org/files/Conflict-Gold.pdf>

³⁸ U.N. Security Council, “Final report of the Group of Experts (2017),” S/2017/672, p. 2, August 8, 2017, available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2017/672

³⁹ This was 11 kg in 2014 and then 8.8 and 8.7 metric tons for 2016 and 2017 respectively. The values were calculated using average annual prices for gold from www.goldprice.org -- \$41,000/kg for 2014, \$38,000/kg for 2015, \$40,000/kg for 2016, and \$40,000/kg for 2017. The 2017 figure is an estimate based on exports for January to October 2017, which were 7.2 tons. Bank of Uganda export statistics, available at http://www.bou.or.ug/opencms/bou/bou-downloads/research/External_Sector_Statistics/Trade_Statistics/Composition-of-Exports_Values-and-Volumes.xlsx

⁴⁰ “In 2014, Barnabas Taremwa traded in gold illegally exported from the Democratic Republic of the Congo and illegally imported into Uganda. Two individuals involved in the gold trade in eastern Democratic Republic of the Congo and two individuals in close contact with Kampala gold traders confirmed Mr. Taremwa’s role in trading Congolese gold. Mr. Taremwa is the majority shareholder of Westcorp Mining Limited and is involved in other businesses in Uganda.” U.N. Security Council, “Final Report of the Group of Experts on the Democratic Republic of the Congo,” S/2015/19, 12 January 2016, p. 43.

⁴¹ That was Richard Kaijuka. “Kaijuka resigns,” *New Vision*, August 29, 2002, available at https://www.newvision.co.ug/new_vision/news/1074286/kaijuka-resigns; David Pallister, “Bank stalls dam after UK firm’s payment to minister,” *The Guardian*, July 18, 2002, available at <https://www.theguardian.com/uk/2002/jul/19/davidpallister>; “Refining Impurities,” *Africa Confidential*, Vol 58 No 12., June 9, 2017.

⁴² “Probing the Gold,” *Africa Confidential*, December 17, 2017; Hadijah Nakitende, “Fight for Shares Plagues Uganda’s first Gold Refinery,” *Sunrise*, October 28, 2016, available at <http://www.sunrise.ug/news/201610/fight-for-shares-plagues-ugandas-first-gold-refinery.html>; Matsiko, “Museveni Defends ‘Fake’ Gold Dealer,” *Independent (Kampala)*, January 8, 2018, available at <http://allafrica.com/stories/201801070178.html>

⁴³ The FIA letter to Uganda’s Directorate of Public Prosecutions (DPP) reviewed by The Sentry states, “We therefore hereby refer this matter to the Office of the Directorate of Public Prosecutions to prosecute the African Gold Refinery, Ltd. for committing an offence under the Anti-Money Laundering Act, 2013.” According to officials at the FIA and mining ministry, the figure is based on the approximate amount of gold that AGR did not declare to the mining ministry. Uganda Financial Intelligence Authority letter to the DPP, “Prosecution of Africa Gold Refinery Ltd under the Anti-



Money Laundering Act, 2013,” FIA.DOA.25.10.17, October 11, 2017. Haggai Matsiko, “Museveni’s gold dealer in trouble,” *The Independent* (Kampala), November 13, 2017, available at <https://www.independent.co.ug/musevenis-gold-dealer-trouble/>

⁴⁴ In April 2014 the Ugandan Ministry of Finance noted that Museveni directed it to discuss incentives for AGR. At the meeting with the company, the Ministry indeed granted tax-free status to any minerals processed or exported by AGR. “Minutes of meeting between AGR and Ugandan Ministry of Finance,” April 24, 2014, p. 2. Further, *Africa Confidential* has reported that “Goetz’s resurgence as gold’s primus inter pares in the Great Lakes has been partly enabled by his close association with Ugandan President Yoweri Museveni, who ceremonially inaugurated AGR and give it a major boost by announcing a 0% export tax on gold refined in Uganda.” “Refining Impurities,” *Africa Confidential*, Vol 58 No 12., June 9, 2017. “The Great Lakes Gold Rush,” *Africa Confidential*, March 23, 2018; Sentry interviews with Ugandan officials, June 2017 and December 2017.

⁴⁵ AGR stated in response to questions posed by The Sentry that “AGR is a privately-owned business and has no formal or informal commercial relationship or link with any senior Ugandan government officials, particularly with H.E. President Yoweri Museveni.” Email communication with AGR, August 2018.

⁴⁶ Financial Action Task Force and Asia/Pacific Group on Money Laundering (APG), “Money laundering and terrorist financing risks and vulnerabilities associated with gold,” 2015, available at <http://www.fatf-gafi.org/media/fatf/documents/reports/ML-TF-risks-vulnerabilities-associated-with-gold.pdf>

⁴⁷ The OECD guidance was recognized by the U.S. Securities and Exchange Commission as a way for companies to implement the Dodd-Frank law Section 1502 and has been adopted into law in Congo. The US Government Accountability Office (GAO) further states that: “While SEC did not specifically mandate the framework to be used, the SEC adopting release noted that it appeared the only nationally or internationally-recognized due diligence framework available was the due diligence guidance approved by the OECD. The OECD due diligence guidance, which OECD adopted in 2011, includes supplements on tin, tantalum, tungsten, and gold. The framework’s five steps are (1) establishing strong company management systems, (2) identifying and assessing risk in the supply chain, (3) designing and implementing a strategy to respond to identified risks, (4) carrying out an independent third-party audit of supply chain due diligence at identified points in the supply chain, and (5) reporting on supply chain due diligence. Government Accountability Office, “SEC Conflict Minerals Rule: Companies Face Continuing Challenges in Determining Whether Their Conflict Minerals Benefit Armed Groups,” August 2016, available at <https://www.gao.gov/assets/680/679232.pdf>; Global Witness, “Four Years on, the Congolese Government is Failing to Enforce its Law Designed to Stem Conflict and Abuses in the Minerals Trade,” November 4, 2016, available at <https://www.globalwitness.org/en/blog/congolese-government-failing-to-enforce-law-to-stem-conflict-abuses-in-minerals-trade/>; OECD, “Upstream Implementation of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict Affected and High-Risk Areas,” June 2012, p. 7, available at <http://www.oecd.org/investment/mne/UpstreamCycle2Report.pdf>; See also Organisation for Economic Co-operation and Development, OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas: Second Edition, OECD Publishing (2013), accessed June 23, 2014, <http://dx.doi.org/10.1787/9789264185050-en>” U.N. Security Council, “Due Diligence Guidelines,” available at <https://www.un.org/sc/suborg/en/sanctions/1533/due-diligence-guidelines>; Organization for Economic Cooperation and Development, “OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas,” available at <http://www.oecd.org/corporate/mne/mining.htm>

⁴⁸ See note 19.

⁴⁹ A letter from the mining ministry to AGR in 2016 stated, “The Ministry has of recent been informed by the Office of the Inspector General of Government that AGR has since traded gold but has flouted statutory procedures for the export of mineral commodities, whose importation and exportation to and from Uganda is restricted under the Mining Act 2003 and East African Community Customs Management Act, 2005. Consequently, this has been perceived as an act of tax avoidance by AGR while purporting to be in compliance with relevant national and tax laws. The notice specifies trade data to include “all purchases and sales of minerals made by AGR and the nature and weight of the minerals - we request you to share with us any relevant gold export information (air way bills, quantities, destinations, buyers, etc.); the price paid or received for the minerals and the date of each purchase or sale; the name and address of the vendor and his or her right to be in possession of such minerals; the name and address of the purchaser or consignee to whom the minerals are sold or consigned.”

⁵⁰ In response to questions posed by The Sentry, AGR stated that it “operates under a Manufacture Under Bond License issued by the Uganda Revenue Authority under the Ministry of Finance. As such, we are not licensed by the



Department of Geological Survey and Mines. Nevertheless, the information to which this question relates is captured under the operation of the license with the URA. This information is public and is available to the Department of Geological Survey and Mines.” Email correspondence with The Sentry, August 2018.

⁵¹ AGR stated in response to questions posed by The Sentry that “We wish to reiterate our desire to assist with mapping, traceability and regional certification as a matter of urgency.” Email communication with AGR, August 2018. It also posted recently on its website that “AGR aims to take steps further in mapping the gold by setting up a full documented chain of custody, first in the industry and unique in the world of gold trading and refining. With this in view, AGR seeks strong collaboration and partnership with international organizations, civil society, government departments and private sectors. This project will have a budget of USD 5M the first year and USD 2.5M/year for the following 4 year. Sponsors for this program will be sourced at the sector itself, from: civil society, governments and International organizations.” See <http://www.gold.africa/about/> (accessed October 2018).

⁵² Jeff Mbanga, “Conflict gold is just normal gold, says mineral expert,” *The Observer (Kampala)*, March 15, 2017, available at <http://www.observer.ug/business/51777-conflict-gold-is-just-normal-gold-says-mineral-expert.html>

⁵³ While Goetz Gold’s website states, “GOETZGOLD is an independent company who has been set up by one of the shareholders of the family owned company NV TONY GOETZ (TG). GOETZGOLD has two preferential partners, TONY GOETZ and PREMIER GOLD REFINERY,” four other facts suggest otherwise. 1) AGR exports almost all of its gold to Goetz Gold, per Ugandan export records. 2) Both AGR and Goetz Gold are owned by Alain Goetz. 3) Goetz Gold lists its headquarters on its website as Tony Goetz NV, with the address in Antwerp, Belgium. 4) Tony Goetz NV lists Goetz Gold as its UAE Representative office under “our locations” on its website. See <http://www.goetzgold.com/companydetail.php?pagesid=12>; <https://www.tonygoetz.com/en/our-company/our-locations.html>. AGR stated in response to questions posed by The Sentry that “Goetz Gold LLC purchases gold from individuals and entities who have had their gold processed by AGR. Goetz Gold LLC, is a preferred partner of AGR.” The company also denies having ever exported gold to Tony Goetz NV. Email communication with AGR, August 2018.

⁵⁴ According to Leah Butler of the Responsible Minerals Initiative: “Tony Goetz NV was removed from the Responsible Minerals Assurance Program Active List in November 2017 for failure to meet RMAP audit standards requirements. RMI is not able to share details of companies’ audits beyond what is provided on the RMI website. Audit information is protected by our program’s non-disclosure agreements with auditees and auditors.” Interview with Leah Butler, Responsible Minerals Initiative, January 24, 2018. In response to questions posed by The Sentry, Tony Goetz NV stated that it “has developed internal procedures to allow it to identify its clients and the origin of the precious metals, in order to avoid sourcing of so-called conflict minerals. In this respect, please note that Tony Goetz NV is not active in the Democratic Republic of Congo. ... By strictly following internal compliance procedure, Tony Goetz NV guarantees that its activities and all transactions are in accordance with its obligations under national law and international guidelines, that exceed Belgian regulatory requirements.” Correspondence with Tony Goetz NV, August 2018.

⁵⁵ RMI Members list as of July 30, 2018, available at <http://www.responsiblemineralsinitiative.org/about/members-and-collaborations/>; RMAP Indicators as of January 28, 2018, available at <http://www.responsiblemineralsinitiative.org/responsible-minerals-assurance-process/active-and-conformant-smelter-count/>

⁵⁶ This is under the Dubai Multi Commodities Centre (DMCC). According to the DMCC, Tony Goetz NV was supposed to be up for review in 2017, and the July 2018 list says it remains certified. The DMCC website states, “The Dubai Good Delivery standard... for gold refineries, the certification also includes responsible sourcing of gold in accordance with the ‘DMCC Rules for Risk Based Due Diligence for Gold and Precious Metals’.” DMCC, “Suspend trading activities whilst mitigating the identified risks by obtaining additional information/data confirming or refuting the adverse risk assessments. Disengagement from the red-flagged company and/or sources of the risk. See https://www.dmcc.ae/application/files/4515/3189/5579/DGD_List_Gold_Alphabetical_Final-02-07-2018.pdf

⁵⁷ The DMCC website stated in September 2018 that the next review period for Tony Goetz NV was to be from April 2016 to March 2017, but the most recent audit report listed is for one year prior to that, the period of January 2015 to March 2016. See <https://www.dmcc.ae/gateway-to-trade/commodities/gold/accreditation-initiatives>

⁵⁸ “Parket vervolgt grootste goudsmelterij,” *De Tijd*, September 15, 2015, available at <https://www.tijd.be/politiek-economie/belgie/federaal/parket-vervolgt-grootste-goudsmelterij/9676996.html> “Grootste goudhandelaar België verdacht van witwassen,” *De Telgraaf*, September 18, 2015, available at <https://www.telegraaf.nl/nieuws/503410/grootste-goudhandelaar-belgie-verdacht-van-witwassen>; “Parket vervolgt grootste goudsmelterij van het land,” HLN, September 18, 2015, available at



<https://www.hln.be/nieuws/binnenland/parket-vervolgt-grootste-goudsmelterij-van-het-land-a7b09e75/?referer=https%3A%2F%2Fwww.google.com%2F>

⁵⁹ Tony Goetz NV stated in response to questions posed by The Sentry that “By strictly following internal compliance procedure, Tony Goetz NV guarantees that its activities and all transactions are in accordance with its obligations under national law and international guidelines that exceed Belgian regulatory requirements. ... Tony Goetz NV has - long before it became subject to the legislation concerning anti-money laundering and combatting of terrorist financing - acknowledged its responsibility in the domain of the prevention of money laundering and terrorist financing. The company is aware of the importance of being alert to suspicious financial transactions and of the requirement to do everything within its power to prevent any transactions that involve monies derived from criminal activity.” Furthermore, Tony Goetz executive Sylvain Goetz maintained, in a published article on this issue, that “As a company, we have always followed the letter of the law. We never received a comment from the Federal Public Service Economy. But the court will judge this.” Moreover, a lawyer of the company, Bert Luyten, has publicly expressed regret that the Antwerp courts were wrongly discrediting “a beautiful company, a global player. That is very unfortunate. Certainly because Tony Goetz always did more than the law in the gold sector, for example to check the identity of customers or to check the origin of gold and jewelry.” “Parket vervolgt grootste goudsmelterij,” *De Tijd*, September 15, 2015, available at <https://www.tijd.be/politiek-economie/belgie/federaal/parket-vervolgt-grootste-goudsmelterij/9676996.html> “Grootste goudhandelaar België verdacht van witwassen,” *De Telgraaf*, September 18, 2015, available at <https://www.telgraaf.nl/nieuws/503410/grootste-goudhandelaar-belgie-verdacht-van-witwassen>; “Parket vervolgt grootste goudsmelterij van het land,” HLN, September 18, 2015, available at <https://www.hln.be/nieuws/binnenland/parket-vervolgt-grootste-goudsmelterij-van-het-land-a7b09e75/?referer=https%3A%2F%2Fwww.google.com%2F>; Email communication with Tony Goetz NV, August 2018.

⁶⁰ Goetz’s company Affimet reportedly signed a deal with the AFDL in April 1997. Southern Africa Resource Watch, “Congo’s golden web: the people, companies and countries that profit from the illegal trade in Congolese gold,” May 2014, pp. 17, 41, available at https://www.researchgate.net/publication/290602685_Congo's_Golden_Web_-_The_Commercialization_of_the_DRC's_gold; Daniel Fahey, *Rethinking the Resource Curse: Natural Resources and Polywar in the Ituri District, Democratic Republic of the Congo*, PhD Dissertation, University of California at Berkeley, Fall 2011, p. 110, available at http://digitalassets.lib.berkeley.edu/etd/ucb/text/Fahey_berkeley_0028E_11753.pdf

⁶¹ Southern Africa Resource Watch estimates that the total gold intake of Goetz’s various operations from 1987-2001 “must significantly exceed 100 tons of raw gold.” “Congo’s golden web: the people, companies and countries that profit from the illegal trade in Congolese gold,” Southern Africa Resource Watch, “Congo’s Golden Web,” p. 41.

⁶² Consolidated EU Regulation 1183/2005 provides for the designation of persons engaged in or providing support for acts that undermine the peace, stability or security of the DRC, including – “supporting individuals or entities, including armed groups or criminal networks, involved in destabilizing activities in the DRC through the illicit exploitation or trade of natural resources, including gold or wildlife as well as wildlife products.” EU Council Regulation No 1183/2005, July 2015, para. 2a(1)(g), available at <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:02005R1183-20170719&from=EN>

⁶³ See FATF and APG, “Money laundering and terrorist financing risks,” pp. 20-23.

⁶⁴ This is as of 2007, and no reliable study has been conducted since then. As Anthony Gambino notes, “The IRC itself has stated: “The true number could be as low as 3.1 million or as high as 7.6 million. While the precise number will never be known – it is clear that millions of people died unnecessarily because of the war.”⁵⁷ I fully agree “that millions of people died unnecessarily because of the war,” and that the IRC provides the key evidence for this. I note that my point estimate of 3.3 million falls within IRC’s own confidence interval. In effect, I am arguing that the low end of the IRC confidence interval is likelier to be the most accurate estimate of excess mortality for the 1998-2007 period.” Anthony W. Gambino, “Democratic Republic of Congo,” in *World Development Report, 2011*, World Bank Group, March 2, 2011, pp. 30-34, available at <http://documents.worldbank.org/curated/en/642841468247291959/pdf/620290WP0Democ0BOX0361475B00PUBLIC0.pdf>; International Rescue Committee, “Mortality in the Democratic Republic of Congo,” 2007, available at http://www.rescue.org/sites/default/files/resource-file/2006-7_congoMortalitySurvey.pdf

⁶⁵ This includes North and South Kivu and Ituri Provinces. If Ituri is removed, the number of displaced persons equals approximately 1.7 million people. U.N. OCHA, “République Démocratique du Congo: Personnes déplacées internes et retournées,” November 30, 2017, available at https://reliefweb.int/sites/reliefweb.int/files/resources/drc_factsheet_novembre_2017_fr.pdf



⁶⁶ “Gold remains by far the mineral most used to finance armed elements and criminal networks,” and “is the most lucrative and easily smuggled of the natural resources.” U.N. Security Council, “Midterm report,” S/2016/1102, p. 2, available at http://www.securitycouncilreport.org/atf/cf/%7B65BF9B-6D27-4E9C-8CD3-CF6E4FF96FF9%7D/s_2016_1102.pdf; U.N. Security Council, “Final report of the Group of Experts (2016),” S/2016/166, para. 115, May 23, 2016, available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2016/166.

⁶⁷ Jeff Mbanga, “Conflict gold is just normal gold, says mineral expert,” *The Observer (Kampala)*, March 15, 2017, available at <http://www.observer.ug/business/51777-conflict-gold-is-just-normal-gold-says-mineral-expert.html>

⁶⁸ Ibid.

⁶⁹ Email correspondence with The Sentry, October 2018.

⁷⁰ These include, among others, Mai Mai Yakutumba, the Allied Democratic Forces (ADF), the Democratic Forces for the Liberation of Rwanda (FDLR), the Nduma Defense of Congo-Renové (NDC-R), Raia Mutomboki. In 2017 there were major clashes at and around gold mines in Misisi, South Kivu. Mai Mai Yakutumba displaced Congolese army commanders from gold areas and attacked the town of Uvira. David Lewis and Aaron Ross, “Congo warlord seeks to unite rebel factions in anti-Kabila alliance,” Reuters, October 1, 2017, available at <https://www.reuters.com/article/uk-congo-rebels/congo-warlord-seeks-to-unite-rebel-factions-in-anti-kabila-alliance-idUKKCN1C61HW>. For more information and background on this trade, see U.N. Security Council, “Mid-term report of the Group of Experts (2016),” S/2016/1102, p. 2, December 28, 2016, available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2016/1102. U.N. Security Council, “Final report of the Group of Experts (2016),” S/2016/166, para. 115, May 23, 2016, available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2016/166; U.N. Security Council, “Final report of the Group of Experts (2017),” S/2017/672, para. 101, August 8, 2017, available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2017/672; Fidel Bafilemba and Sasha Lezhnev, “Congo’s Conflict Gold Rush: Bringing Gold into the Legal Trade in the Democratic Republic of the Congo,” (Washington: The Enough Project, April 2015), available at <http://enoughproject.org/reports/congo%E2%80%99s-conflict-gold-rush>, and Ruben de Koning and the Enough Team, “Striking Gold: How M23 and its Allies are Infiltrating Congo’s Gold Trade,” (Washington: The Enough Project, April 2013), available at <http://enoughproject.org/reports/striking-gold-how-m23-and-its-allies-are-infiltrating-congos-gold-trade>; U.N. Security Council, “Final Report of the Group of Experts on the Democratic Republic of the Congo,” S/2016/466, May 23, 2016, p. 26, available at http://www.securitycouncilreport.org/atf/cf/%7B65BF9B-6D27-4E9C-8CD3-CF6E4FF96FF9%7D/s_2016_466.pdf; Partnership Africa Canada, “All that Glitters is not gold” (Ottawa: May 2014), available at <http://www.pacweb.org/images/PUBLICATIONS/All%20That%20Glitters.pdf>; U.N. Security Council, “Final report of the Group of Experts on the Democratic Republic of the Congo,” S/2015/19, paras. 193-4.

⁷¹ U.N. Security Council, “Final report of the Group of Experts,” S/2015/19, p. 19.

⁷² U.N. experts have documented high rates of SGBV by armed groups and army commanders. Mining areas have documented increased rates of prostitution, rape, and forced marriage—including that of young girls. U.N. Security Council, “Final report of the Group of Experts on the Democratic Republic of the Congo,” S/2015/19, pp. 3, 30-31, 100; paras. 138-139; Gregory Mthembu-Salter, “Gold baseline study 2,” Organization for Economic Cooperation and Development, 2014, p. 4, available at <http://www.oecd.org/daf/inv/mne/Gold-Baseline-Study-2.pdf>; Free the Slaves, “Congo’s Mining Slaves: Enslavement at South Kivu Mining Sites,” (Washington: June 2013), p. 18, available at <https://www.freetheslaves.net/wp-content/uploads/2015/03/Congos-Mining-Slaves-web-130622.pdf>

⁷³ When armed groups fight over mines and trading routes, local residents are forced to flee. An example is when rival rebel Raia Mutomboki factions fought over a gold mining area in Shabunda. Radio Okapi, “Shabunda: 2 factions Raia Mutomboki se disputent le contrôle d’une concession minière” November 18, 2014, available at <http://radiookapi.net/actualite/2014/11/18/shabunda-2-factions-raia-mutomboki-se-disputent-le-contrôle-dune-concession-miniére/> (translation by Enough).

⁷⁴ Gold mines with child miners as young as eight years old, operate across the region, as children work as surface miners, rock crushers, transporters, or gold washers. Child miners are more prone to severe injuries. International Labour Organization, International Labour Office, “Minors out of mining! Partnership for global action against child labour in small-scale mining,” (Geneva: 2006), p. 5 available at <http://www.ilo.org/ipecinfo/product/viewProduct.do?productId=2519>; see also Hahn, Hayes, and Kacapor, “Breaking the Chain,” p. 10.

⁷⁵ For a background on this trade, see Gregory Mthembu-Salter, “Gold baseline study 2,” Organization for Economic Cooperation and Development, 2014, p. 4; Gregory Mthembu-Salter, “Gold baseline study 3,” Organization for Economic Cooperation and Development, 2015, p. 15, available at <http://www.oecd.org/daf/inv/mne/Gold-Baseline->



Study-3.pdf; Enough Team, "From Child Miner to Jewelry Store: The Six Steps of Congo's Conflict Gold" (Washington, The Enough Project, October 2012), available at <http://www.enoughproject.org/files/Conflict-Gold.pdf> Miners are also exploited by armed groups, corrupt officials, and heads of mining "cooperatives" and receive very little compensation in the end. Basic equipment such as pumps are loaned to miners by local loan sharks at extremely high rates, forcing many miners into debt slavery. The heads of mining cooperatives reportedly get a large cut—between 75 and 84 percent—of the world gold price. Sentry interviews with miners and mine operators in eastern Congo, 2016-2017. Enough Project interviews with consultants for the Organisation for Economic Cooperation and Development and Partnership Africa Canada, April 2015. Hannah Poole Hahn, Karen Hayes, and Azra Kacapor, "Breaking the Chain: Ending the supply of child-mined minerals," PACT, October 2013, p. 22, available at <http://www.pactworld.org/library/breaking-chain-ending-supply-child-mined-minerals>; Debt bondage is the most persistent form of slavery among those involved in the mining sector. Senior individuals such as the President Director General (PDG), who own mining shafts and employ workers, enter into this form of enslavement as they generally invest their money to begin production by taking loans at high rates. New miners also become enslaved when they have to borrow money to sustain their daily needs before mining production begins. Free the Slaves, "Congo's Mining Slaves: Enslavement at South Kivu Mining Sites," (Washington: June 2013), p. 17, available at <https://www.freetheslaves.net/wp-content/uploads/2015/03/Congos-Mining-Slaves-web-130622.pdf>

⁷⁶ World Gold Council figures for 3Q2017 demand indicate that out of 915 tons of total global gold demand, 479 tons went for jewelry, 241 tons went to investment demand, 111 tons went to Central Bank net purchases, and 67.3 tons went to electronics. World Gold Council, "Gold Demand Trends Third Quarter 2017," November 7, 2017; Enough Team, "From Child Miner to Jewelry Store."

⁷⁷ The Enough Project described this trade in further detail: "From the mines, the smuggled gold mainly flows to a handful of exporters in two of eastern Congo's cities, Bukavu in South Kivu and Butembo in North Kivu. The exporter/smugglers control a network of middlemen traders called *négociants* who go to the mines and buy the gold from the bosses of the mining cooperatives, or at times, miners themselves, and then bring the gold to large-scale exporters in Bukavu and Butembo. The exporters have their traders carry the gold by hand to Uganda, Burundi, and Tanzania. From Uganda, traders smuggle the gold mainly to Dubai, in the United Arab Emirates, where laws allow people to hand-carry gold with very few checks on its origins. In Dubai, the gold is sold to the gold market (*souk*) and to refineries and then exported to India or Switzerland, to be either further refined to a higher purity level or made directly into jewelry. Banks then buy a significant portion of the gold for investors and sell a large percentage to jewelers."

Enough Team, "From Child Miner to Jewelry Store: The Six Steps of Congo's Conflict Gold" (Washington, The Enough Project, October 2012), available at <http://www.enoughproject.org/files/Conflict-Gold.pdf>

⁷⁸ See note 5.

⁷⁹ Email communication with AGR, August 2018.

⁸⁰ AGR told The Sentry that "Approximately 90% of the gold that AGR handles comes from approved licensed dealers. Only 10% comes directly from the mining sector. This 10% can be divided roughly equally between accredited mines in Tanzania, Kenya, Uganda, Rwanda and DRC." Email communication with AGR, August 2018.

⁸¹ In response to The Sentry's question about where the remaining 90 percent of the gold originates from, AGR stated that "The origin of the gold is mainly African Regional supply, including: Tanzania, Kenya, Uganda, Rwanda and DRC."

⁸² In response to a question from The Sentry on this issue, AGR stated "This scenario is too often misunderstood by the some NGO's and media, though armed group is playing a central role in conflicts, during the 35 years in this line of business, we have never seen a single military coming-in to our facilities to offer or deal gold with us neither direct nor indirect." Email communication with The Sentry, October 2018.

⁸³ The U.N. Group of Experts reported in 2016 that a Congo-based exporting network named Cavichi had engaged in significant gold smuggling. Between February and July 2017, however, two Kampala-based major gold traders, five Ituri-based mine operators, and three South Kivu-based major gold traders, as well as a Congolese and Ugandan mining governance official, told The Sentry that AGR had become one of the most significant buyers of ASM gold from four provinces of eastern Congo. Sentry interview with Ugandan official, April 2017; Sentry interview with Congolese mining official, June 2017; Sentry interviews with five mine operators based in eastern Congo, June 2017; Sentry focus group discussion with miner's cooperative in eastern Congo, June 2017; Sentry interviews with three major gold traders in eastern Congo, March 2017; Sentry interview with gold trader based in eastern Congo, March 2017; U.N. Security Council, "Final report of the Group of Experts (2016)," S/2016/166, May 23, 2016, available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2016/466



⁸⁴ “The Group notes that, in addition to Uganda, Rwanda is now becoming a major gold exporter in the Great Lakes region in the amount of 1 ton per month. The Group confirmed that, as is the case with Uganda, the official export route is controlled by Alain Goetz. Information gathered by the Group showed that a large part of the gold traded by Uganda and Rwanda is sourced fraudulently from neighbouring countries, including the Democratic Republic of the Congo.” U.N. Security Council, “Final Report of the Group of Experts,” S/2018/531, June 4, 2018, p. 21.

⁸⁵ In response to questions posed by The Sentry, AGR said that it plans to undergo “a third party audit, as we are aware that the ICGLR mechanism and structures is not yet fully implemented in the region therefore the scheduled audit is not under the ICGLR certification process.” Email correspondence with AGR, October 2018. Eight other minerals exporters, the main exporters in the Great Lakes region for gold, tin, tantalum, and tungsten, have undergone the third party audits accredited by the ICGLR. For the ICGLR audit reports of minerals exporters, see <http://www.icglr.org/index.php/en/publications>

⁸⁶ AGR stated in response to questions posed by to The Sentry: “...it should be noted that AGR is not a trading company, but a service company providing industrial services such as geological analysis, assaying, melting, refining, and the shipment and delivery of precious metals. ... AGR’s Due Diligence Management System is based on the OECD Due Diligence Guidance on Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and the Gold Supplement to the OECD Due Diligence Guidance. Apart from this, AGR’s Anti-Bribery Policy & Compliance Handbook is implemented and maintained to eliminate the risks of corruption and money laundering associated with the sourcing of gold: <http://www.gold.africa/wp-content/uploads/2017/02/Anti-Bribery-Policy-Compliance-Handbook-1.pdf>. AGR has similar responsibility as any other refinery yes, we received the guidance from our lawyer (Tem Advocates) AGR’s in-house legal team while AGR complies with these guidelines and endeavors to maintain the highest standards in the responsible sourcing.” Email correspondence with AGR, August and October 2018.

⁸⁷ “Congo’s golden web: the people, companies and countries that profit from the illegal trade in Congolese gold,” Southern Africa Resource Watch, May 2014, p. 41, available at http://www.sarwatch.org/sites/sarwatch.org/files/Publications_docs/congogold3web.pdf

⁸⁸ Sara Geenen, *African Artisanal Mining from the Inside Out: Access, Norms and Power in Congo’s Gold Sector*, 2016, p. 141.

⁸⁹ His Burundi-based refinery Affimet reportedly exported 7 tons of gold annually, most of which was sourced from then-Zaire, present-day Congo. Southern Africa Resource Watch (SARW), *Congo’s Golden Web: the people, companies and countries that profit from the illegal trade in Congolese gold*, 2014, p. 40

⁹⁰ SARW, “Congo’s Golden Web,” p. 17; Daniel Fahey, *Rethinking the Resource Curse: Natural Resources and Polywar in the Ituri District, Democratic Republic of the Congo*, PhD Dissertation, University of California at Berkeley, Fall 2011, p. 110, available at http://digitalassets.lib.berkeley.edu/etd/ucb/text/Fahey_berkeley_0028E_11753.pdf; “Museveni goes for gold,” *Africa Confidential*, March 3, 2017.

⁹¹ Ibid.

⁹² These were reportedly originally called Congo Comptoir and then renamed Congocom. SARW, “Congo’s Golden Web,” p.40.

⁹³ Congocom managers also trafficked gold from areas held by the FDLR, RCD, FNI, FRF, and several Mai Mai groups. Human Rights Watch, “The Curse of Gold,” 2005, available at <https://www.hrw.org/reports/2005/drc0505/11.htm> Sara Geenen, *African artisanal Mining from the inside out: Access, norms and power in Congo’s gold sector*, Routledge, 2015, p. 83; U.N. Security Council, “Final report of the Group of Experts (2009),” S/2009/603, November 23, 2009, p. 38 available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2009/603, p. 38. SARW, “Congo’s Golden Web.”

⁹⁴ SARW, “Congo’s Golden Web,” p. 41.

⁹⁵ They alleged that a North Kivu-based company, Glory Minerals, which purchased its gold from FDLR-held mines, had sold gold to Goetz. According to the U.N. experts, Goetz had received an email “to inform him that gold purchased by Glory Minerals did not come from areas controlled by FDLR or Mai Mai, and that any gold supply from Glory Minerals complies with United Nations standards.” However, “The Group has established above that Glory Minerals continues to source gold from FDLR controlled areas.” U.N. Security Council, “Final Report,” S/2009/603, pp. 33, 37-8. Tony Goetz NV stated in response to questions posed by The Sentry that the correspondence mentioned in the report was a form of spam which was sent to all major gold refineries.

⁹⁶ Email communication with Tony Goetz NV, August 2018.



⁹⁷ U.N. Security Council, “Final Report,” S/2009/603, pp. 37-8. Southern Africa Resource Watch states that there were a number of irregularities about this purchase. “Another mystifying case involves the September 2009 statement by Goetz that he had purchased 3 kgs of gold from Leonide Mupepele, Director General of CEEC in August 2008. According to a statement by Mupepele, Goetz had bought a second consignment, sent by courier, of an undisclosed quantity of gold. However, the Mupepele affair was never fully explored. Only the Kinshasa newspapers commented in sarcastic terms about how the head of the country’s regulatory watchdog for honest dealings in minerals could possibly have ended up with gold worth more than US \$100,000. Goetz told SARW that Mupepele submitted samples to him that originated from the Bas-Congo area. While this may very well be the case, the more important questions remain unanswered: who was the ultimate beneficiary of these transactions? And why did Goetz accept gold from a man that should have triggered very careful due diligence?” Southern Africa Resource Watch, “Congo’s Golden Web,” 41. Tony Goetz NV stated in response to questions posed by The Sentry that it bought 3 kg of gold from the Congolese government agency CEEC, and that “The gold concerned was legally and officially imported through Belgian customs and no comments whatsoever were made by the competent Belgian authorities.” Email correspondence with Tony Goetz NV.

⁹⁸ They alleged that a North Kivu-based company, Glory Minerals, which purchased its gold from FDLR-held mines, had sold gold to Goetz. U.N. Security Council, “Final Report,” S/2009/603, pp. 37-8.

⁹⁹ Southern Africa Resource Watch, “Congo’s Golden Web,” 41; Tony Goetz NV asserted in response to questions posed by The Sentry that, “Berkenrode is currently called Alaxy. The report states that the company of Mr. Ruganyira is registered and known with the Burundi authorities as Berkenrode BVBA SA. Mr. Ruganyira apparently changed the name of his company in 2009 from Gold Link Burundi Trading (GLBT) to Berkenrode BVBA SA. However, the Belgian company, called Berkenrode BVBA was incorporated in 2002, seven years earlier and is an entirely different private limited liability company, that provides management services.” Correspondence with Tony Goetz NV, August 2018.

¹⁰⁰ “Uganda gold refinery raises alarm over conflict minerals,” AFP, February 22, 2017, available at: <https://www.news24.com/Africa/News/uganda-gold-refinery-raises-alarm-over-conflict-minerals-20170222>

¹⁰¹ Ibid.

¹⁰² This was made up of 120 shipments for a total of 9.33 tons of gold. With the average price of gold of approximately \$1,257.12 per troy ounce in 2017, that equals \$377 million. Uganda Revenue Authority export statistics for gold, 2015-16 and 2017 reviewed by The Sentry; Average annual gold price, <https://www.statista.com/statistics/268027/change-in-gold-price-since-1990/> AGR stated in response to questions posed by The Sentry in August 2018 that it exported 7.3 tons of gold in 2017. It later stated that it exported 7.7 tons: “To be more precise, AGR exported 7,721,000 gms in 2017. AGR’s exported figures is being declared to the Bank of Uganda on monthly basis and captured by the Uganda Revenue Authority during the time of export.” AGR also said that “it should be noted that AGR is not a trading company, but a service company providing industrial services such as geological analysis, assaying, melting, refining, and the shipment and delivery of precious metals.” Email communication with AGR, August and October 2018.

¹⁰³ Sentry interview with gold trader, March 2017; Sentry interviews with gold trader, February 2017 and March 2018; Sentry interview with regionally-based gold traders, June 2017 and December 2017.

¹⁰⁴ Sentry interview with gold trader, March 2017; Sentry interview with gold trader, June 2017; Sentry interview with gold trader based in Congo, March 29, 2017; Sentry interview with Congo-based gold trader, March 2017; Sentry interview with Congolese government official, March 2017.

¹⁰⁵ Email communication with AGR, August 2018.

¹⁰⁶ U.N. Security Council, “Final Report of the U.N. Group of Experts on the DRC,” S/2014/42, p. 37, para. 172; available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2014/42; U.N. Security Council, “Final Report of the U.N. Group of Experts on the DRC,” S/2012/843, para. 187, available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2012/843; See also Sara Geenen, *African Artisanal Mining from the Inside Out: Access, Norms and Power in Congo’s Gold Sector*, 2015, p. 122.

¹⁰⁷ Sentry interviews with gold trader, February 2017, March 2017, and April 2017; Sentry interview with regional gold trader, March 2017; Sentry interview with gold trader in eastern Congo, March 2017; Sentry interview with Congolese government official, March 2017.

¹⁰⁸ U.N. Security Council, “Final Report of the U.N. Group of Experts on the DRC,” 2012, S/2012/843, para. 183; U.N. Group of Experts, “Final Report of the Group of Experts on the DRC submitted in accordance with paragraph 6 of Security Council resolution 1896 (2009)” November 29, 2010, para. 294, available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2010/596; U.N. Group of Experts, “Final Report of the Group of



Experts on the DRC submitted in accordance with paragraph 8 of Security Council resolution 1857 (2008)" 23 November 2009, para. 159, available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2009/603

¹⁰⁹ Namukaya said "Our production comes from green zones where we help ensure peace for the artisanal diggers. Our marketing department takes this issue into account in order to make our comptoir credible as regards international regulations and the country's realities. ... We have our partners in Dubai, and we try to do our work but without any insurance due to the multiple difficulties of diversion we are facing, which jeopardizes our capital now. At the present time, we operate at a low speed considering our financial means that could lead to our bankruptcy. Our sales statistics are recorded by our Congolese government services, authorized to do this every time we want to deliver the products to our partners." *The Sentry Correspondence with Namukaya*, September 2018.

¹¹⁰ Sara Geenen, *African Artisanal Mining from the Inside Out: Access, Norms and Power in Congo's Gold Sector*, 2015, p. 122.

¹¹¹ AGR stated in response to questions posed by The Sentry: "AGR is committed to refraining from any action which contributes to the financing of conflict. We will neither tolerate nor by any means profit from, contribute to, assist with or facilitate the illegal trafficking of gold. As such AGR has not purchased or refined gold from individuals named as traffickers in U.N. GoE on DRC reports. ... We are fully committed to supply chain transparency and support all efforts by the U.N. and the international community to establish practical and workable solutions to current vulnerabilities. We take note that the U.N. Group concluded, 'that AGR could contribute to a cleaner gold trade in Uganda.' This is certainly the firmly held view of AGR and the Government of Uganda and we shall be working with all interested parties to ensure this happens." Email communication with AGR, August 2018. AGR elaborated further in a subsequent response: "AGR's Due Diligence Management System is based on the OECD Due Diligence Guidance on Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and the Gold Supplement to the OECD Due Diligence Guidance. Apart from this, AGR's Anti-Bribery Policy & Compliance Handbook is implemented and maintained to eliminate the risks of corruption and money laundering associated with the sourcing of gold: <http://www.gold.africa/wp-content/uploads/2017/02/Anti-Bribery-Policy-Compliance-Handbook-1.pdf>. AGR has similar responsibility as any other refinery yes, we received the guidance from our lawyer (Tem Advocates) AGR's in-house legal team while AGR complies with these guidelines and endeavors to maintain the highest standards in the responsible sourcing."

¹¹² In response to questions posed by The Sentry, AGR represented that "Approximately 90% of the gold that AGR handles comes from approved licensed dealers. Only 10% comes directly from the mining sector. This 10% can be divided roughly equally between accredited mines in Tanzania, Kenya, Uganda, Rwanda and DRC." AGR subsequently said in response to The Sentry's question about where the 90 percent comes from that "The origin of the gold is mainly African Regional supply, including: Tanzania, Kenya, Uganda, Rwanda and DRC." It also stated that "In compliance with AGR's Supply Chain Policy for a Responsible Global Supply Chain of Minerals from Conflict-Affected and High Risk Areas, AGR is committed to refraining from any action which contributes to the financing of conflict. The major example we could provide is that when the prospective supplier/s have not fully complied with our due diligence guidelines & procedure, their account opening process will be immediately terminated. On the other hand, if the applicant conforms to AGR's compliance process and requirements, their account opening application will be completed." Email correspondence with The Sentry, August and October 2018. For the public statements, see Note 20.

¹¹³ Interview with Sentry source, May 2, 2017.

¹¹⁴ In response to questions posed by The Sentry, AGR represented that "Approximately 90% of the gold that AGR handles comes from approved licensed dealers. Only 10% comes directly from the mining sector. This 10% can be divided roughly equally between accredited mines in Tanzania, Kenya, Uganda, Rwanda and DRC." AGR subsequently said in response to The Sentry's question about where the 90 percent comes from that "The origin of the gold is mainly African Regional supply, including: Tanzania, Kenya, Uganda, Rwanda and DRC." It was not clear whether that 90 percent comes from certified mines or not. Email correspondence with The Sentry, August and October 2018. For the public statements, see Note 21.

¹¹⁵ Uganda's domestic gold production can be estimated at around three tons per year based on The Sentry's discussions with Ugandan mining governance officials, and regional ASM gold mining experts. Also, see Global Witness, "Under-Mined: How corruption mismanagement and political influence is undermining investment in Uganda's mining sector and threatening people and environment," June 2017, p.28.

¹¹⁶ AGR stated in response to questions posed by The Sentry that "Approximately 90% of the gold that AGR handles comes from approved licensed dealers. Only 10% comes directly from the mining sector. This 10% can be divided roughly equally between accredited mines in Tanzania, Kenya, Uganda, Rwanda and DRC." Email communication with



AGR, August 2018. AGR subsequently said in response to The Sentry's question about where the 90 percent comes from, "The origin of the gold is mainly African Regional supply, including: Tanzania, Kenya, Uganda, Rwanda and DRC. ... AGR has numerously stressed that none of the gold comes from South Sudan have been processed at the facility." Email communication with The Sentry, October 2018.

¹¹⁷ Alain Goetz, AGR, and Tony Goetz NV were defending as of the time of writing, in the Ugandan courts, a civil case brought by the plaintiff, Barnabas Taremwa, who claims that the defendants reneged upon a joint venture signed on 12 December 2014 that would have allotted him and an associated company a considerable share in AGR. Barnabas Taremwa claims to have sourced the land on which AGR constructed its refinery, as well as negotiated the original tax exemptions. Timberfric International Ltd is Barnabas Taremwa's co-plaintiff in the case.

¹¹⁸ Document reviewed by The Sentry.

¹¹⁹ "In 2014, Barnabas Taremwa traded in gold illegally exported from the Democratic Republic of the Congo and illegally imported into Uganda. Two individuals involved in the gold trade in eastern Democratic Republic of the Congo and two individuals in close contact with Kampala gold traders confirmed Mr. Taremwa's role in trading Congolese gold." U.N. Security Council, "Final Report of the Group of Experts on the Democratic Republic of the Congo," S/2015/19, January 12, 2015, para. 209, available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2015/19

¹²⁰ Sentry interview with gold trader in eastern Congo, March 31, 2017; Sentry interviews with two Kampala-based gold traders, April 8, 2017 and June 4, 2017; Sentry interview with Congo-based gold trader, March 28, 2017.

¹²¹ According to the U.N. Panel of Experts, "a paramilitary force is being trained under the personal authority of Lt. General Saleh. ... The network coordinates all elements of the diamond trade, local buying houses, Lebanese exporters, army protection from UPDF and individual militias, tax exonerations from the public sector, and Lebanese connections in Antwerp, under the aegis of the front company, the Victoria Group. ... Lt. General Saleh is recognized by the Panel's sources in Bunia, Kisangani and Kampala as the founder and director of the Victoria Group and as the mastermind of its operations." U.N. Security Council, "Final report of the Panel of Experts on the Illegal Exploitation of Natural Resources and Other Forms of Wealth of the Democratic Republic of the Congo," S/2002/1146, October 2002, paras. 102, 111, 112-3, available at <https://reliefweb.int/report/burundi/plundering-dr-congo-natural-resources-final-report-panel-experts-s20021146>

¹²² Saleh stated, "Can they provide evidence? What does the commission want me to comment on, that I share money with Nyamwisi? I do not share money with Nyamwisi." And went on further to criticize the U.N. for the allegations, saying that the report was deliberately created to destroy some people. "They are not only picking on me but they also violated my rights to make the accusations without hearing from me." Saleh said, "You will find that I'm not at the core or even at the tail of this." Anne Mugisa and Milton Olupot, "Salim Saleh Criticises U.N. Over Congo," *New Vision*, August 28, 2001, available at https://www.newvision.co.ug/new_vision/news/1027461/salim-saleh-criticises-congo. The Ugandan government commissioned a separate report in 2001, which became the Porter Commission led by Justice David Porter. That report, released in 2003, concluded that Saleh was not complicit in illegal looting in Congo and placed the blame on Ugandan General James Kazini. "Uganda Plans Looting Charges," BBC, May 15, 2003, available at <http://news.bbc.co.uk/2/hi/business/3030515.stm>

¹²³ AGR further states that it "would like to reiterate that Mr. Barnabas Taremwa and Mr. Richard Kaijuka, whilst previously having been employees of AGR, currently they have no formal connections with our company. Therefore, we would like to stress that any of their statements and assertions are their own personal perceptions and views and have nothing to do with AGR and do not reflect the company's position in any way." AGR Press Statement, November 20, 2017, available at <http://www.gold.africa/news-articles/>; Matsiko, "Museveni defends,"

¹²⁴ DRC Ministry of Mines, "Arrêté ministériel No. 0057 Cab.Min/Mines/01/2012 du 29 février 2012 portant mise en œuvre du mécanisme régional de certification de la Conférence internationale sur la région des Grands Lacs 'CIRGL' en République démocratique du Congo," February 29, 2012. See also Government Accountability Office, "Conflict Minerals: Information on Artisanal Mined Gold and Efforts to Encourage Responsible Sourcing in the Democratic Republic of the Congo," August 2017, p. 10, available at <https://www.gao.gov/assets/690/686745.pdf>

¹²⁵ DRC Ministry of Mines and Cooperation Allemande, "Resume des Qualifications et Validations Ainsi Que des Audits CTC des Sites Miniers en RDC de Juin 2011 a Décembre 2017, » April 2018, available at http://cosoc-gl.org/wp-content/uploads/2018/03/Bulletin_MRC-CTC_vf2017121.pdf; Mine data from the International Peace Information Service, available at <http://ipisresearch.be/home/conflict-mapping/maps/open-data/>

¹²⁶ U.N. Security Council, "Final report of the Group of Experts (2017)," S/2017/672, p. 23, August 8, 2017, available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2017/672;



¹²⁷ According to its website, “AGR complies with these [ICGLR and OECD] guidelines [on conflict resources] and endeavours to maintain the highest standards in the responsible sourcing of their [sic] metals.” See “About AGR” available at <http://www.gold.africa/about/> (accessed June 2018).

¹²⁸ AGR said in response to questions posed by The Sentry that all of its suppliers “must have the valid documents to operate as mines or mineral dealers. We have turned down a considerable number of individuals who did not have the relevant and necessary documentation.” Email communication with AGR, August 2018. AGR elaborated on this in a subsequent email to The Sentry: “In compliance with AGR’s Supply Chain Policy for a Responsible Global Supply Chain of Minerals from Conflict-Affected and High Risk Areas, AGR is committed to refraining from any action which contributes to the financing of conflict. The major example we could provide is that when the prospective supplier/s have not fully complied with our due diligence guidelines & procedure, their account opening process will be immediately terminated. On the other hand, if the applicant conforms to AGR’s compliance process and requirements, their account opening application will be completed.”

¹²⁹ DRC Ministry of Mines, “Arrêté ministériel No. 0057 Cab.Min/Mines/01/2012 du 29 février 2012 portant mise en œuvre du mécanisme régional de certification de la Conférence internationale sur la région des Grands Lacs ‘CIRGL’ en République démocratique du Congo,” February 29, 2012. See also Government Accountability Office, “Conflict Minerals: Information on Artisanal Mined Gold and Efforts to Encourage Responsible Sourcing in the Democratic Republic of the Congo,” August 2017, p. 10, available at <https://www.gao.gov/assets/690/686745.pdf>

¹³⁰ Email correspondence with AGR, October 2018.

¹³¹ This is according to the most recent independent, comprehensive survey of gold mines in eastern Congo by the International Peace Information Service, which surveyed 559 gold mines in total. The 2015 data showed that 64 percent of gold miners worked at mines with at least one armed group present, but the 2016 data increased the overall figure to 71 percent (55,990 miners at conflict mines out of 79,213 gold miners in total). IPIS, “Analysis of the interactive map,” IPIS, Open Data Set for gold mines, 2015-16, available at <http://ipisresearch.be/home/conflict-mapping/maps/open-data/>

¹³² The U.N. Group of Experts also stated, “Gold produced artisanally in conflict and post-conflict areas of eastern Democratic Republic of the Congo is blended in the country’s main trading towns and neighbouring transit countries.” U.N. Security Council, “Final report,” S/2014/42; Sentry interview with Congolese mining official, June 22, 2017, Sentry interview with five mine operators in eastern Congo, June 22, 2017, Sentry interview with two Ugandan gold traders, April 8, 2017, Sentry interview with Congolese gold trader, March 29, 2017, Sentry interview with Ugandan government official, April 7, 2017.

¹³³ Illegal armed groups control much of the territory. U.N. Security Council, “Mid-term report of the Group of Experts (2017),” S/2017/1091, December 22, 2017, pp. 9, 11, 15, 21, available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2017/1091

¹³⁴ Interview with Congolese government official, March 2017.

¹³⁵ This is per the ICGLR process. For example, 50 certificates went missing in 2017, and only 1 has been recovered. U.N. Security Council, “Midterm report,” S/2017/1091, pp. 12-13; U.N. Security Council, “Final report,” S/2017/672, pp. 24-5.

¹³⁶ Jeff Mbangwa, “Conflict gold is just normal gold, says mineral expert,” *The Observer (Kampala)*, March 15, 2017, available at <http://www.observer.ug/business/51777-conflict-gold-is-just-normal-gold-says-mineral-expert.html>

¹³⁷ “AGR regulates its business activities and practices in accordance with the OECD and ICGLR guidelines, which are implemented at every level in our workplace.” African Gold Refinery, “AGR at a Glance.”

¹³⁸ The US Government Accountability Office (GAO) further states that: “While SEC did not specifically mandate the framework to be used, the SEC adopting release noted that it appeared the only nationally or internationally-recognized due diligence framework available was the due diligence guidance approved by the OECD. The OECD due diligence guidance, which OECD adopted in 2011, includes supplements on tin, tantalum, tungsten, and gold. The framework’s five steps are (1) establishing strong company management systems, (2) identifying and assessing risk in the supply chain, (3) designing and implementing a strategy to respond to identified risks, (4) carrying out an independent third-party audit of supply chain due diligence at identified points in the supply chain, and (5) reporting on supply chain due diligence. Government Accountability Office, “SEC Conflict Minerals Rule: Companies Face Continuing Challenges in Determining Whether Their Conflict Minerals Benefit Armed Groups,” August 2016, available at <https://www.gao.gov/assets/680/679232.pdf>; Global Witness, “Four Years on, the Congolese Government is Failing to Enforce its Law Designed to Stem Conflict and Abuses in the Minerals Trade,” November 4, 2016, available at <https://www.globalwitness.org/en/blog/congolese-government-failing-to-enforce-law-to-stem-conflict-abuses-in->



minerals-trade/; OECD, “Upstream Implementation of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict Affected and High-Risk Areas,” June 2012, p. 7, available at <http://www.oecd.org/investment/mne/UpstreamCycle2Report.pdf>; See also Organisation for Economic Co-operation and Development, OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas: Second Edition, OECD Publishing (2013), accessed June 23, 2014, <http://dx.doi.org/10.1787/9789264185050-en>”

¹³⁹ Interview with Leah Butler, Responsible Minerals Initiative, January 24, 2018.

¹⁴⁰ Of 333 eligible refiners/smelters for gold, tin, tantalum, and tungsten, 271 are active in the RMAP. RMAP Conformant and Active list as of October 10, 2018, available at <http://www.responsiblemineralsinitiative.org/responsible-minerals-assurance-process/active-and-conformant-smelter-count/>

¹⁴¹ Interview with Leah Butler, Responsible Minerals Initiative, January 24, 2018.

¹⁴² See <http://www.lbma.org.uk/responsible-sourcing> (accessed June 2018).

¹⁴³ Correspondence with Tony Goetz NV, August 2018.

¹⁴⁴ Specifically, The Sentry has searched AGR’s publicly available materials and spoken to regional certification officials and traders.

¹⁴⁵ Goetz stated in 2017 that AGR dealt in undocumented gold, Speech of Alain Goetz, CEO of AGR, during session on ‘Gold from the Great Lakes Region’, OECD Conference May 2017 in Paris, available at <http://www.agr-afr.com/wp-content/uploads/2016/08/OECD-Speech-Alain-Goetz-OECD-Conference-2017.pdf>; . For its part, AGR told The Sentry that it “does not handle or source undocumented gold. The AGR compliance team conducts detailed checks on our first phase clients by inspecting the relevant documents of the supplier of the raw material. All suppliers of AGR must have the valid documents to operate as mines or mineral dealers. We have turned down a considerable number of individuals who did not have the relevant and necessary documentation.” Email communication with AGR, August 2018.

¹⁴⁶ “AGR is still accepting what we called the *undocumented gold* or *small scale gold dealers*, particularly from Kampala market, that includes: old jewelry, damaged or old chains, used necklace, bracelets, dental scrap and other scrap jewelries. The person is being checked by presenting his/her original identification card subject for cross checking and verification by our compliance person.” Email correspondence with AGR, October 2018.

¹⁴⁷ Goetz further elaborates to say, “Our KYC and Due Diligence procedures are currently limited to carefully examining the supplier’s credentials and making further enquiries with our extensive network of regional contacts as to their veracity. However, we are very keen [sic] make our procedures more and expand our Due Diligence Procedures and call upon the international community and NGOs to assist us in this endeavor.” Speech of Alain Goetz, CEO of AGR, during session on ‘Gold from the Great Lakes Region’, OECD Conference May 2017 in Paris, available at <http://www.agr-afr.com/wp-content/uploads/2016/08/OECD-Speech-Alain-Goetz-OECD-Conference-2017.pdf>

¹⁴⁸ The \$236 million figure only goes to July 2016 (the extent of the URA data), but Uganda continued to export gold at the same pace in the second half of 2016 and all of 2017, and AGR is the only refiner in Uganda.

¹⁴⁹ AGR said in response to questions posed by The Sentry that it “regulates its business activities and practices in accordance with the OECD and ICGLR guidelines. AGR’s due diligence initially involves the KYC (Know Your Customer) procedures. Therein, we are requiring each potential client’s legal documents including: certificate of incorporation, trading licenses, mining license, mineral dealers’ license, memorandum of association and articles, proof of address and audited financial statements, along with at least six months’ commercial track record. This can be seen on our account opening form: <http://www.gold.africa/wp-content/uploads/2016/08/AGR-ACCOUNT-OPENING-FORM-KYC.pdf>” Email communication with AGR, August 2018.

¹⁵⁰ The U.N. Security Council passed Due Diligence Guidelines in November 2009 that mirror the OECD Guidance. See <https://www.un.org/sc/suborg/en/sanctions/1533/due-diligence-guidelines>

¹⁵¹ The Guidance states that “In areas in which minerals are illegally taxed or extorted, take immediate steps to ensure that upstream intermediaries and consolidators disclose downstream or publicly the payments made to public or private security forces for the provision of security;” or “engage with intermediaries and consolidators to help build their capabilities to document the behavior of security and payments to security forces.” OECD, “OECD Due Diligence Guidance,” pp. 25-6.



¹⁵² It says: “Upstream companies should: 1. Establish a chain of custody and/or traceability system that collects and maintains disaggregated information outlined in Step 2, Section I and II, (C) for all gold input and output from a red flagged supply chain.” “OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas Supplement on Gold,” OECD Publishing, 2012, p. 35, available at <http://www.oecd.org/corporate/mne/GoldSupplement.pdf>

¹⁵³ “AGR’s due diligence initially involves the KYC (Know Your Customer) procedures. Therein, we are requiring each potential client’s legal documents including: certificate of incorporation, trading licenses, mining license, mineral dealers’ license, memorandum of association and articles, proof of address and audited financial statements, along with at least six months’ commercial track record. This can be seen on our account opening form: <http://www.gold.africa/wp-content/uploads/2016/08/AGR-ACCOUNT-OPENING-FORM-KYC.pdf>”

¹⁵⁴ “In order to bring the local small-scale traders in conformity with the due diligence requirements imposed by the international organizations, AGR assists local miners in the conduct of their own sourcing of procured metals through license applications and stringent audits. In this way, revenue generated by artisanal mining is kept well away from rebel militias and instead is controlled by the miners themselves for the development of their communities. AGR regulates its business activities and practices in accordance with the OECD and ICGLR guidelines, which are implemented at every level in our workplace.” African Gold Refinery, “AGR at a Glance,” available at <http://www.gold.africa/about/>

¹⁵⁵ See “OECD Due Diligence Guidance,” pp. 22, 55-6.

¹⁵⁶ Step 3 entails designing and implementing a strategy to respond to identified risks. “OECD Due Diligence Guidance,” p. 18.

¹⁵⁷ The U.N. Group of Experts said it “requested a list of AGR suppliers but has not received it and takes note of the willingness of AGR to first require “proper consent” of their suppliers. This information would help to ascertain if certain suppliers were involved in fraudulent trade with smugglers from the Democratic Republic of the Congo. The Group saw a copy of an agreement signed by AGR and CEEC, in which the two parties acknowledged that gold was smuggled from the Democratic Republic of the Congo to Uganda. Furthermore, it includes a commitment to work closely in the fight against smuggling according to international and International Conference on the Great Lakes Region regulations.” U.N. Security Council, S/2017/672, p. 26.

¹⁵⁸ In response to questions posed by The Sentry, AGR acknowledged this. “This will be a third party audit, as we are aware that the ICGLR mechanism and structures is not yet fully implemented in the region therefore the scheduled audit is not under the ICGLR certification process.” Email communication with AGR, August 2018 and October 2018; Per the ICGLR, “Accreditation [of third-party auditors] is undertaken by the ICGLR Audit Committee, or an outside agency, as mandated by the Audit Committee. It is carried out according to the criteria detailed in the Appendices to the ICGLR Certification Manual.” International Conference on the Great Lakes Region, “Audit Methodology / Template for the Third Party Exporter Audits of the ICGLR’s Regional Certification Mechanism,” October 8, 2013, available at <http://icglr.org/images/ICGLR%20Third%20Party%20Audit%20Methodology.pdf>

¹⁵⁹ OECD, “Gold Supplement,” p. 36-7; U.N. Security Council, S/2010/596, pp. 94-5.

¹⁶⁰ In January 2015, IPIS reported that 57 percent of gold miners worked at a mine with an armed group present. By the end of 2016, this had increased to 71 percent. Similarly, the U.N. Group of Experts reported in December 2016 that “gold remains by far the mineral most used to finance armed elements and criminal networks.” IPIS, “Infographic – Mapping Mining Areas in Eastern DRC,” January 28, 2015, available at <http://ipisresearch.be/2015/01/infographic-mapping-security-human-rights-mining-areas-eastern-drc/>; IPIS, “Analysis of the interactive map”; U.N. Security Council, “Midterm report,” S/2016/1102, p. 2.

¹⁶¹ That is Step 5 of the Guidance. OECD, “OECD Due Diligence Guidance,” p. 52.

¹⁶² According to *The Independent (Uganda)*, when Kaijuka was contacted about the latest charges against AGR, he stated, “If it is true, I am extremely shocked and surprised because as chairman, I have always insisted on strict compliance, transparency and accountability.” He noted, further, “You will also recall that as AGR chair I have been urging you to hold regular board meetings but in vain to ensure that AGR conforms to good corporate governance practices of accountability, transparency and responsible sourcing of gold from the region. Are you dismissing me so that you can keep a blind eye to all these issues?” Matsiko, “Museveni’s gold dealer.” See also, Matsiko, “Musveni defends.”

¹⁶³ *Ibid.* AGR further states that “that this was his own personal perception and do not reflect the company.” AGR, Press Release, November 20, 2017, available at <http://www.gold.africa/media/>



¹⁶⁴ Goetz states, “investigations had shown that only 0.1% of gold mines in eastern DRC were in the hands of rebels.” AFP, “Uganda gold refinery raises alarm over conflict minerals.”

¹⁶⁵ He states, “Conflict minerals don’t exist. All minerals are created by God. He did not put conflict minerals in the universe. It is the people who use it; they are the conflict guys.” Jeff Mbanga, “Conflict gold is just normal gold, says mineral expert,” *The Observer (Kampala)*, March 15, 2017, available at <http://www.observer.ug/business/51777-conflict-gold-is-just-normal-gold-says-mineral-expert.html>

¹⁶⁶ U.N. Group of Experts, “Final Report of the Group of Experts,” November 29, 2010, pp. 89-91; OECD, “OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas: Second Edition,” OECD Publishing, 2013, p. 20, available at <http://dx.doi.org/10.1787/9789264185050-en>

¹⁶⁷ These include (1) gold originating from or transported through a conflict-affected or high-risk area, (2) gold that has been refined in a country where gold from conflict-affected and high-risk areas is known or reasonably suspected to transit, and (3) increased risk in countries when anti-money laundering laws, anti-corruption laws, customs controls and other relevant governmental oversight laws are weakly enforced, informal banking systems operate, and cash is extensively used. The OECD Gold Supplement also specifically calls on refiners to examine U.N. and NGO reports during this step. “OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas Supplement on Gold,” OECD Publishing, 2012, pp. 11, 26, available at <http://www.oecd.org/corporate/mne/GoldSupplement.pdf>

¹⁶⁸ AGR CEO Goetz stated that it has “limited resources to map each and every gram reaching our facility. Our KYC and due diligence procedures are currently limited to carefully examining the supplier’s credentials and making further enquiries with our extensive network of regional contacts as to their veracity.” Speech of Alain Goetz, CEO of AGR, during session on ‘Gold from the Great Lakes Region’, OECD Conference, Paris, May 2017, available at <http://www.agr-afr.com/wp-content/uploads/2016/08/OECD-Speech-Alain-Goetz-OECD-Conference-2017.pdf>

¹⁶⁹ AGR states that it does not fit the description of a minerals dealer according to Ugandan law, because “it is an entity engaging in only the refining of raw minerals into a finished product.” AGR letter to Ugandan FIU, November 7, 2017, available at <http://www.gold.africa/wp-content/uploads/2017/11/AGRs-Response.pdf>; “AGR is an industry providing services and not involved in the selling, buying or trading of precious metals,” the company noted. “AGR do have a Mineral Dealer’s License as it is essential for various business purposes and it is one of the requirements AGR is submitting whenever there is an export. AGR also noted it has mechanisms in place aimed at avoiding trading in conflict gold. “Any customer has to fulfill our KYC (Know Your Customer) procedures by providing relevant information and their company legal documents,” AGR noted, “AGR is doing due diligence of its suppliers in the same way as other foreign / international refineries are doing.” The company also noted that it has been competing with huge smuggling networks “as we are promoting the legal framework and legitimate supply chain thus smugglers are devastated on AGR’s success and doing everything to suppress AGR.” Matsiko, “Museveni defends ‘fake’ gold dealer.” In response to questions posed by The Sentry, AGR added that it “is not a trading company, but a service company providing industrial services such as geological analysis, assaying, melting, refining, and the shipment and delivery of precious metals. ... AGR has not registered with the Ugandan Financial Intelligence Authority because it is not a requirement for us to do so. AGR lawyers had a meeting with FIA on November 2017 and a NON-REPORTING PROCEDURE was agreed.” AGR later clarified that “Though, there is no written agreement, yet after submitting our response to their queries FIA have not communicated to us further. We would like to reiterate that AGR operates under Manufacture Under Bond license.” Email correspondence with AGR, August and October 2018.

¹⁷⁰ “AGR’s Due Diligence Management System is based on the OECD Due Diligence Guidance on Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and the Gold Supplement to the OECD Due Diligence Guidance. Apart from this, AGR’s Anti-Bribery Policy & Compliance Handbook is implemented and maintained to eliminate the risks of corruption and money laundering associated with the sourcing of gold: <http://www.gold.africa/wp-content/uploads/2017/02/Anti-Bribery-Policy-Compliance-Handbook-1.pdf>. AGR has similar responsibility as any other refinery yes, we received the guidance from our lawyer (Tem Advocates) AGR’s in-house legal team while AGR complies with these guidelines and endeavors to maintain the highest standards in the responsible sourcing.” Email correspondence with The Sentry, October 2018.

¹⁷¹ “This Guidance applies to all companies in the mineral supply chain that supply or use tin, tantalum, tungsten and their ores or mineral derivatives and gold sourced from conflict-affected or high-risk areas.” “Supply chain - The term supply chain refers to the system of all the activities, organisations [sic], actors, technology, information, resources and services involved in moving gold from the source to end consumers.



Upstream supply chain and Upstream Companies – “Upstream supply chain” means the gold supply chain from the mine to refiners. “Upstream companies” include miners (artisanal and small-scale enterprises or medium and large-scale gold mining companies), local gold traders or exporters from the country of gold origin, transporters, international gold traders of Mined/Recyclable Gold and refiners. Artisanal and small-scale gold producers such as individuals, informal working groups or communities are not expected included as upstream companies for the purposes of carrying out due diligence in line with this Guidance, although they are encouraged to remain involved in due diligence efforts of their customers and formalise so they can carry out due diligence in the future.” OECD, “OECD Due Diligence Guidance”; OECD, “OECD Supplement on Gold,” p. 11; Email correspondence with AGR, October 2018.

¹⁷² Sentry interview with gold trader who supplied AGR, March 31, 2017; Sentry interview with separate gold trader who supplied AGR, March 29, 2017; Sentry interview with Kampala-based trader, June 4, 2017. The Sentry has also reviewed email correspondence between Goetz and Kajjuka from early 2014 projecting profit margins resulting from trading.

¹⁷³ Uganda Revenue Authority Export Statistics for gold, 2017, reviewed by The Sentry. AGR states that it exported 7.7 tons. “To be more precise, AGR exported 7,721,000 gms in 2017. AGR’s exported figures is being declared to the Bank of Uganda on monthly basis and captured by the Uganda Revenue Authority during the time of export.” Email communication with The Sentry, October 2018.

¹⁷⁴ The proposal states that “gold from the Region should be attracted to this Refinery and Gold Traders from the Region should be able to declare Gold at the Airport or borders freely as long as they have proper documentation from their countries of origin... Gold traders who do not have official documents should be allowed to sell Gold to this Refinery but be made to pay a Penalty Fee e.g. US \$500 at the Airport or at the Refinery.” Documents reviewed by The Sentry.

¹⁷⁵ Enough Project, “Breaking the Cycle Delinking Armed Actors from the Gold Supply Chain in Congo and the Great Lakes Region Through Fiscal Reform and Anti-Money Laundering (AML),” pp. 5-7, available at https://enoughproject.org/wp-content/uploads/2017/05/BreakingTheCycle_April2017_Enough_3.pdf

¹⁷⁶ Forbes Africa, ‘Smugglers Take Sheen from Uganda’s Bright Gold Refinery’, July 19, 2017, cited by the AGR website, <http://www.agr-afr.com/media/>, and available at <https://www.forbesafrica.com/investment-guide/2017/07/19/smugglers-take-sheen-ugandas-bright-gold-refinery/>; AGR website, <http://www.agr-afr.com/media/>, and available at <http://www.chimpreports.com/museveni-commissions-20m-gold-refinery-in-entebbe-first-in-sub-saharan-africa/>

¹⁷⁷ *Practical Guidance: Market participants in the gold and precious metals industry*, DMCC, April 2012. Available at <https://www.dmcc.ae/gateway-to-trade/commodities/gold/responsible-sourcing>

¹⁷⁸ The DMCC website stated in September 2018 that the next review period for Tony Goetz NV was to be from April 2016 to March 2017, but the most recent audit report listed is for one year prior to that, the period of January 2015 to March 2016. See <https://www.dmcc.ae/gateway-to-trade/commodities/gold/accreditation-initiatives>

¹⁷⁹ According to the DMCC, “The Dubai Good Delivery standard... for gold refineries, the certification also includes responsible sourcing of gold in accordance with the ‘DMCC Rules for Risk Based Due Diligence for Gold and Precious Metals’.” DMCC, “Suspend trading activities whilst mitigating the identified risks by obtaining additional information/data confirming or refuting the adverse risk assessments. Disengagement from the red-flagged company and/or sources of the risk. Available at on/files/9615/1677/3878/DGD_List_Gold_Alphabetical_January_Final-Version_7.pdf. See also *DMCC Rules for Risk Based Due Diligence in the Gold and Precious Metals Supply Chain*, Dubai, 26 May 2016, p.40

¹⁸⁰ DMCC denies those charges and has since delisted the refinery and updated its audit protocols. Andy Verity, “Gold Market Breaches ‘Covered up,’” BBC, February 25, 2014, available at <http://www.bbc.com/news/business-26341072>

¹⁸¹ These include the Responsible Minerals Assurance Program (RMAP) and the London Bullion Market Association (LBMA) Responsible Gold Guidance.

¹⁸² *DMCC Rules for Risk Based Due Diligence in the Gold and Precious Metals Supply Chain*, Dubai Multi-Commodities Centre, May 26, 2016, p.40

¹⁸³ The Guidance states that the company should, in high risk situations, “Suspend trading activities whilst mitigating the identified risks by obtaining additional information/data confirming or refuting the adverse risk assessments. Disengagement from the red-flagged company and/or sources of the risk.” *Ibid*, p.14

¹⁸⁴ *Ibid*, p.15

¹⁸⁵ Jeff Mbanga, “Conflict gold is just normal gold, says mineral expert,” *The Observer (Kampala)*, March 15, 2017, available at <http://www.observer.ug/business/51777-conflict-gold-is-just-normal-gold-says-mineral-expert.html>



¹⁸⁶ Matsiko, “Museveni’s gold dealer;” Uganda FIA letter to the Director of Public Prosecutions of Uganda, October 11, 2017.

¹⁸⁷ This is based on the very large discrepancy between the Mining Ministry figures and the URA figures for AGR exports. Matsiko, “Museveni’s gold dealer;” Sentry interview with regional journalist, February 2018.

¹⁸⁸ See Note 58.

¹⁸⁹ In a 2015 report, FATF and the Asia/Pacific Group on Money Laundering examined money laundering in the gold industry, from mining through the supply chain to retail and investment. Based on this examination, the report details a number of ‘red flag indicators’ designed to ‘assist [] non-financial businesses [], financial institutions and others in identifying and reporting suspicious activities associated with [money laundering] and [terrorism finance] in the gold sector.’ In AML regulation generally, ‘red flags’ are commonly used as indicators of potential money laundering activity that should trigger additional scrutiny by financial institutions and other interlocutors. FATF and APG, “Money laundering and terrorist financing risks.”

¹⁹⁰ FATF and APG, “Money laundering and terrorist financing risks,” p. 20.

¹⁹¹ In the September 25, 2017 letter to AGR signed by FIA Executive Director Sydney Asubo, the FIA states “We have noted with concern that despite our earlier communication requesting you to provide us with a copy of your operating license and to register with the Financial Intelligence Authority as an accountable person, you have not complied so. This is contravention of Regulation 4 of the Anti-Money Laundering Regulations, 2015, and your actions constitute an offence under section 133(2) of the Anti-Money Laundering Act 2013.” The letter refers to a previously unanswered letter to AGR on August 24, 2017. According to *The Independent*, after AGR failed to respond, Asubo wrote to the director of public prosecutions on October 11, 2017, requesting that AGR be prosecuted. FIA’s letters aimed to “ensure the company complied with international anti-money laundering laws.” Uganda had already earned a place on the FATF watchlist of risky countries in 2014. Haggai Matsiko, “Museveni defends ‘fake’ gold dealer.”

¹⁹² These include verifying beneficial owners of the gold and performing enhanced due diligence for transactions from high-risk jurisdictions. Uganda Anti-Money Laundering Act of 2013, pp. 15-21, available at <https://ulii.org/ug/legislation/act/2013/2013/The-Anti-money-Laundering-Act-2013.pdf>

¹⁹³ AGR states that it this is because it only refines gold. “AGR do have a Mineral Dealer’s License as it is essential for various business purposes and it is one of the requirements AGR is submitting whenever there is an export.” Matsiko, “Museveni defends.” See also <http://www.gold.africa/wp-content/uploads/2017/11/AGRs-Response.pdf>

¹⁹⁴ Anti-Money Laundering Act of Uganda, 2013, p. 97, available at <https://ulii.org/ug/legislation/act/2013/2013/The-Anti-money-Laundering-Act-2013.pdf>

¹⁹⁵ According to the FATF, “the term “dealer” encompasses a wide range of persons engaged in these businesses, from those who produce precious metals or precious stones at mining operations, to... precious metal refiners.” One refiner, NTR Metals, was indicted and prosecuted in 2017 for not doing sufficient due diligence on \$3.6 billion worth of gold from South America. Financial Action Task Force, “RBA Guidance for Dealers in Precious Metal and Stones,” June 17, 2008, p. 2; Additionally, gold refiners globally are at risk of money laundering. John Dillard, “Gold is the new cocaine for money launderers,” *Financial Times*, November 10, 2017, available at <https://www.ft.com/content/bfba8cdc-c5fe-11e7-b2bb-322b2cb39656>

¹⁹⁶ In response to questions posed by The Sentry, AGR stated, “Though, there is no written agreement, yet after submitting our response to their queries FIA have not communicated to us further. We would like to reiterate that AGR operates under Manufacture Under Bond license.” Email communication with AGR, October 2018.

¹⁹⁷ FATF states that “illegally mined gold will often need to be smuggled to a refinery to be smelted. Whilst some enforcement action has been undertaken against smelting operations, anecdotal evidence indicates that the smuggling of gold from both legal and illegal mine sites is widespread.” FATF/APG, 2015, p. 18.

¹⁹⁸ The general term mining ministry refers to Uganda’s Ministry of Energy and Mineral Development, Department of Geology and Minerals (DGSM).

¹⁹⁹ According to the *New Vision*, the IGG’s investigation was launched in May 2016 after AGR received tax exemption from the Ministry of Finance. A letter signed by Stanley Nsubuga on behalf of the IGG stated, “The Inspectorate General of Government is carrying out investigations into the operations of the above company.” The article also refers to the mining ministry investigations. “Uganda economy will grow sustainably, says President Museveni.” *New Vision*, December 7, 2017.

²⁰⁰ Uganda’s Auditor General has raised concerns about these discrepancies. Matsiko, “Museveni defends.”

²⁰¹ Per an average 2017 gold price of \$40,000/kg. See www.goldprice.org

²⁰² Matsiko, “Museveni defends.”



²⁰³ The letter states, “The Ministry has of recent been informed by the Office of the Inspector General of Government that AGR has since traded gold but has flouted statutory procedures for the export of mineral commodities, whose importation and exportation to and from Uganda is restricted under the Mining Act 2003 and East African Community Customs Management Act, 2005. Consequently, this has been perceived as an act of tax avoidance by AGR while purporting to be in compliance with relevant national and tax laws.” The letter also requires AGR to apply for export and import permits and take immediate steps to pay outstanding royalties. “Non-Compliance Notice of the African Gold Refinery Facility In Entebbe Municipality And Recovery of Non Tax Revenue”, 8 August 2016.

²⁰⁴ The notice specifies trade data to include “all purchases and sales of minerals made by AGR and the nature and weight of the minerals - we request you to share with us any relevant gold export information (air way bills, quantities, destinations, buyers, etc.); the price paid or received for the minerals and the date of each purchase or sale; the name and address of the vendor and his or her right to be in possession of such minerals; the name and address of the purchaser or consignee to whom the minerals are sold or consigned.”

²⁰⁵ AGR says it has a mineral dealer’s license that it uses, and that it promotes legal frameworks for trading gold. According to *The Independent*, “The company said in an email response that there is someone behind the allegations whose intention is to damage AGR’s reputation. The company had earlier, in a press statement, claimed that person was Taremwa. ‘AGR is an industry providing services and not involved in the selling, buying or trading of precious metals,’ the company noted. ‘AGR do have a Mineral Dealer’s License as it is essential for various business purposes and it is one of the requirements AGR is submitting whenever there is an export. AGR also noted it has mechanisms in place aimed at avoiding trading in conflict gold. Any customer has to fulfill our KYC (Know Your Customer) procedures by providing relevant information and their company legal documents,’ AGR noted, ‘AGR is doing due diligence of its suppliers in the same way as other foreign / international refineries are doing.’ The company also noted that they have been competing with huge smuggling networks ‘as we are promoting the legal framework and legitimate supply chain thus smugglers are devastated on AGR’s success and doing everything to suppress AGR.’” Matsiko, “Museveni defends ‘fake’ gold dealer.” AGR further stated in response to questions posed by The Sentry that it “operates under a Manufacture Under Bond License issued by the Uganda Revenue Authority under the Ministry of Finance. As such, we are not licensed by the Department of Geological Survey and Mines. Nevertheless, the information to which this question relates is captured under the operation of the license with the URA. This information is public and is available to the Department of Geological Survey and Mines.” Email communication with AGR, August 2018. The Sentry attempted to find AGR’s detailed information on the websites of the Ugandan mining and finance ministries and Uganda’s central bank but could not locate it. The Bank of Uganda came closest in that it gives statistics on gold but does not break it down by company. See <http://www.dgsm.go.ug/home>; <http://www.finance.go.ug/>; https://www.bou.or.ug/bou/rates_statistics/statistics.html

²⁰⁶ OECD, “Due Diligence Guidance,” p. 24.

²⁰⁷ “Uganda economy will grow”; Matsiko, “Museveni defends.” AGR stated in response to questions posed by The Sentry that “When it became apparent to the IGG that AGR is a refining and melting facility and not engaged in mining activities that attract royalties, the case was dropped. We have heard nothing since. AGR operates strictly within the requirements of the Ugandan authorities, as stated in the AGR investment license of 2014. (Royalties and taxes apply only for minerals and not for value-added services and finished products). AGR pays VAT on the services, customs duties on all not-exempted materials, and corporation and income tax. Our fiscal relationship with the State is fully transparent and can be accessed by you with the relevant authorities.” Email communication with AGR, August 2018.

²⁰⁸ FATF, “Money laundering / terrorist financing risks and vulnerabilities associated with gold.”

²⁰⁹ In response to questions posed by The Sentry, AGR said that its “compliance team conducts detailed checks on our first phase clients by inspecting the relevant documents of the supplier of the raw material. All suppliers of AGR must have the valid documents to operate as mines or mineral dealers. We have turned down a considerable number of individuals who did not have the relevant and necessary documentation.” Email correspondence with The Sentry, August 2018.

²¹⁰ In response to questions posed by The Sentry, AGR stated that “AGR is still accepting what we called the *undocumented gold* or [sic] *small scale gold dealers*, particularly from Kampala market, that includes: old jewelry, damaged or old chains, used necklace, bracelets, dental scrap and other scrap jewelries. The person is being checked by presenting his/her original identification card subject for cross checking and verification by our compliance person.” Email communication with The Sentry, October 2018.

²¹¹ FATF, “Money laundering / terrorist financing risks and vulnerabilities associated with gold,” pp. 20-21.

²¹² Sentry interview with AGR management, April 2017.



²¹³ See Notes 9, 12, 13, and 28. See also, U.N. Security Council, “Final Report of the Group of Experts,” S/2018/531, June 4, 2018, p. 21, available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2018/531; “The Great Lakes Gold Rush,” *Africa Confidential*, March 23, 2018.

²¹⁴ Matsiko, “Museveni defends.”

²¹⁵ Uganda Revenue Authority Export Statistics for gold, 2017 reviewed by The Sentry; Matsiko, “Museveni defends.”

²¹⁶ In a press release, Tony Goetz NV stated, “Tony Goetz NV would like to congratulate African Gold Refinery Uganda (AGR) for their successful [sic] start-up. The role of Tony Goetz NV is providing technical support to AGR as well as training and sharing 30 years of experience in gold-assaying, melting and refining. Tony Goetz NV would like to emphasize that the company has no participation whatsoever in the capital of AGR. The main promotor of AGR Uganda is Mr. Alain Goetz. The AGR participation is strictly done in his personal name.” Tony Goetz NV press release, September 2016, available at https://www.tonygoetz.com/data/public/Persnota_Uganda-76007-1.pdf

²¹⁷ Certified copy of the Memorandum and Articles of Association of the African Gold Refinery Limited, Republic of Uganda, reviewed by The Sentry, March 17, 2014.

²¹⁸ Articles of incorporation documents reviewed by The Sentry.

²¹⁹ Alain and Sylvain Goetz, as well as Geraldine Santi are listed as administrators on the board of directors as of August 2018. Recueil Electronique des Sociétés et Associations Numéro, Luxembourg corporate filing RCS : B119953 Référence de publication : RESA_2018_176.827, August 8, 2018, available at https://gd.lu/resa/IDCPs_Memorial, Journal Officiel de Grand Duche de Luxembourg, January 23, 2013, available at <http://www.etat.lu/memorial/2013/C/Pdf/c0167231.pdf>; « Vervolgd in België, adres in Luxemburg » *De Tijd*, March 28, 2018, available at <https://www.tijd.be/nieuws/archief/vervolgd-in-belgie-adres-in-luxemburg/9996901.html>

²²⁰ The Sentry has reviewed the minutes of an April 2014 meeting between Alain Goetz, Barnabas Taremwa, Richard Kaijuka, and other representatives of AGR, with various senior civil servants from Uganda’s Ministry of Finance regarding the incentives requested by the AGR project. The sixth agreed position following the meeting was that the Ministry’s Permanent Secretary “would seek guidance from H.E. the President on the issue of granting of the 10-year corporate tax holiday to the project.”

²²¹ On February 21, 2017, at AGR’s official inauguration, President Yoweri Museveni announced a pending zero percent tax rate applicable to artisanal and small-scale (ASM) gold exported from Uganda. This tax rate incentive is still awaiting legislation by Uganda’s parliament. This zero percent rate will likely apply to ASM gold with a 99.5 or 99.9 percent purity, so effectively only to gold processed by the refinery. Uganda’s current tax rate for ASM gold, produced in Uganda, is 5 percent, while there is a 1 percent tax on imported gold, which will then be re-exported. According to Ugandan government officials, AGR currently enjoys a preferential exemption from export tax. Sentry interview with Ugandan official, June 2017; Gregory Mthembu-Salter, ‘Baseline Study Four: Gold Trading and Export in Kampala, Uganda’, OECD, Paris, 2015, p. 9, available at <https://www.oecd.org/daf/inv/mne/Gold-Baseline-Study-4.pdf>

²²² AGR is currently not paying export taxes in Uganda. Sentry interview with Ugandan official, June 2017; Also, AGR told Global Witness that because the company “does not trade in any precious metals,” it is “exempted from certain taxes and royalties that only apply to mineral exporters.” Global Witness, “Undermined,” p. 28). “The Great Lakes Gold Rush,” *Africa Confidential*, March 23, 2018.

²²³ The 5 percent tax is referenced in the letter from Uganda’s Mining Ministry to AGR. “Once the recorded source of importation is obtained in accordance with section 71 of the Mining Act 2003, AGR is liable for the due payment of all outstanding royalties due on any minerals bought, received or exported (at 5% gross value) for the period 2014 to date.” “Non-Compliance Notice of the African Gold Refinery Facility In Entebbe Municipality and Recovery of Non Tax Revenue”, 8 August 2016. See also, Gregory Mthembu-Salter, ‘Baseline Study Four: Gold Trading and Export in Kampala, Uganda’, OECD, Paris, 2015, p. 9, available at <https://www.oecd.org/daf/inv/mne/Gold-Baseline-Study-4.pdf>

²²⁴ Memorial, Journal Officiel de Grand Duche de Luxembourg, January 23, 2013, available at <http://www.etat.lu/memorial/2013/C/Pdf/c0167231.pdf>

²²⁵ For example, the minutes of a meeting between AGR and the Ministry of Finance in April 2014 state that, “The purpose of the meeting was to discuss incentives requested by the African Gold Refinery Project for implementation of the refinery of gold and other precious metals. The meeting was a result of H.E. the President’s directive to the Ministry to discuss the incentives for the project.” At the meeting, the Ministry indeed granted tax-free status to any minerals processed or exported by AGR. Minutes of meeting between AGR and Ugandan Ministry of Finance, April 24, 2014, reviewed by The Sentry. Similarly, when Antoine “Tony” Goetz, father of Alain Goetz, set up the refinery Affimet in Bujumbura in 1989, it was the intercession of the then Burundian President Pierre Buyoya which secured a tax-free



zone for gold refining. Ruddy Doom, "The Power of Protection," 2006-7, available at <http://docplayer.net/41039837-The-power-of-protection.html>

²²⁶ "Kaijuka resigns," *New Vision* (Kampala), August 29, 2002, available at http://www.newvision.co.ug/new_vision/news/1074286/kaijuka-resigns

²²⁷ AGR states in a November 2017 press release that, "Although AGR is a new venture, AGR regulates its business activities and operates legitimately in accordance with local and international laws which are implemented at every level of our workplace. AGR has zero tolerance towards those who do not abide with our corporate ethics, whether committed by top management, employees at any other level, business partners, clients or customers. A major example of this is the Board of Director's decision to terminate Mr. Richard Kaijuka tenure as Board Chairman of AGR." AGR Press release, November 20, 2017, available at <http://www.gold.africa/media/> See also, Matsiko, "Museveni's gold dealer."

²²⁸ AGR stated in response to questions posed by The Sentry that it "AGR is a privately-owned business and has no formal or informal commercial relationship or link with any senior Ugandan government officials, particularly with H.E. President Yoweri Museveni." Email communication with AGR, August 2018.

²²⁹ Uganda Revenue Authority export statistics for gold, 2017, reviewed by The Sentry.

²³⁰ Uganda Revenue Authority Export Statistics for gold, 2015-16 reviewed by The Sentry; Matsiko, "Museveni defends."

²³¹ Bills of lading from Uganda to the UAE reviewed by The Sentry.

²³² U.N. Comtrade Statistics for 2015-16, available at <https://comtrade.un.org/data>

²³³ Securities and Exchange Commission filings for 2018, Form SD, available at https://searchwww.sec.gov/EDGARFSCClient/jsp/EDGAR_MainAccess.jsp?search_text=%22tony%20goetz%22&sort=Date&formType=FormSD&isAdv=true&stemming=true&numResults=10&fromDate=01/01/2018&toDate=09/01/2018&numResults=10

²³⁴ Securities and Exchange Commission 2018 filings, Form SD, available at https://searchwww.sec.gov/EDGARFSCClient/jsp/EDGAR_MainAccess.jsp?search_text=%22african%20gold%22&sort=Date&formType=FormSD&isAdv=true&stemming=true&numResults=10&fromDate=01/01/2018&toDate=12/31/2018&numResults=10

²³⁵ Africa Confidential, "The Great Lakes Gold Rush," March 23, 2018, available at <https://www.africa-confidential.com/index.aspx?pageid=7&articleid=12279>; U.N. Security Council, "Final Report of the Group of Experts," S/2018/531, June 4, 2018, p. 21, available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2018/531

²³⁶ "The Group notes that, in addition to Uganda, Rwanda is now becoming a major gold exporter in the Great Lakes region in the amount of 1 ton per month. The Group confirmed that, as is the case with Uganda, the official export route is controlled by Alain Goetz."

UN Security Council, "Final Report of the Group of Experts," S/2018/531, June 4, 2018, p. 21, available at http://www.un.org/ga/search/view_doc.asp?symbol=S/2018/531

²³⁷ As of June 11, 2018, the average gold price in 2018 has been approximately \$42,000/kg. See www.goldprice.org

²³⁸ "The Group notes that, in addition to Uganda, Rwanda is now becoming a major gold exporter in the Great Lakes region in the amount of 1 ton per month. The Group confirmed that, as is the case with Uganda, the official export route is controlled by Alain Goetz. Information gathered by the Group showed that a large part of the gold traded by Uganda and Rwanda is sourced fraudulently from neighbouring countries, including the Democratic Republic of the Congo." U.N. Security Council, "Final Report of the Group of Experts," S/2018/531, June 4, 2018, p. 21.

²³⁹ Africa Confidential, "The Great Lakes Gold Rush," March 23, 2018, available at <https://www.africa-confidential.com/index.aspx?pageid=7&articleid=12279>

²⁴⁰ <http://en.igihe.com/economy/rwanda-targets-800-million-from-gold-by-2020.html>

²⁴¹ Africa Confidential, "The Great Lakes Gold Rush," March 23, 2018, available at <https://www.africa-confidential.com/index.aspx?pageid=7&articleid=12279>

²⁴² "Rwanda targets \$800 from gold by 2020," Igihe, November 10, 2017, available at <http://en.igihe.com/economy/rwanda-targets-800-million-from-gold-by-2020.html>

²⁴³ The Sentry has reviewed a Rwandan government study of domestic gold production capacity, which indicates an overall production capacity of merely 20-30 kg per annum. Rwandan mining study, 2016, reviewed by The Sentry. See also, Africa Confidential, "The Great Lakes Gold Rush," March 23, 2018, available at <https://www.africa-confidential.com/index.aspx?pageid=7&articleid=12279>

²⁴⁴ Rwandan mining study reviewed by The Sentry.



²⁴⁵ For a list of BPML company filings, see

http://www.ejustice.just.fgov.be/cgi_tsv/tsv_rech.pl?language=fr&btw=0477567325&liste=Liste and <https://data.be/en/company/Belgian-Precious-Metals-Industries-SA-0477567325#Key-indicators>

²⁴⁶ These were two shipments, one on July 6, 2016, and the other on July 20, 2016, for a total of 175 kg of gold. Using the approximate gold price at the time, \$42,000 per kg, this was worth approximately \$7.35 million. Uganda Revenue Authority Export Statistics for gold, 2015-16 reviewed by The Sentry.

²⁴⁷ Belgian corporate filings for Worldwide Consulting, June 21, 2018, available at <https://cri.nbb.be/bc9/web/catalog?execution=e1s15#>

²⁴⁸ From 2013 until October 2016, BPML was controlled by Alaxy, Sylvain Goetz, and WorldWide Consulting. During that period (in July 2016), BPML imported 175 kg of gold from AGR. BPML then changed its directorship in October 2016 to Cherry Ann Dacdac. Notably, there is overlap with AGR, as Cherry Anne Dacdac is a manager at AGR. The company had changed its address in 2013. http://www.ejustice.just.fgov.be/tsv_pdf/2013/02/07/13023661.pdf; http://www.ejustice.just.fgov.be/tsv_pdf/2016/10/26/16148315.pdf

²⁴⁹ Belgian corporate filing for BPML, December 4, 2017, available at

<https://cri.nbb.be/bc9/web/catalog?execution=e1s9#>; Email correspondence with AGR, August 2018.

²⁵⁰ www.agor.com

²⁵¹ This was made up of 19 shipments from December 2015 to February 2016 for a total of 1.412 tons of gold. With the average price of gold at \$37,000 per kilo during that time, that equals \$52.24 million. Uganda Revenue Authority Export Statistics for gold, 2015-16 reviewed by The Sentry; www.goldprice.org

²⁵² In an interview with Alain Goetz posted on the Tony Goetz NV website, "Alain Goetz is the co-owner of Tony Goetz NV... and of Agor DMCC." "In Conversation with Alain Goetz," *Bullion Bulletin (India)*, February 2013, available at https://www.tonygoetz.com/data/Unsorted/Bullion_bulletin-72661-1.pdf Furthermore, the Tony Goetz NV September 2016 press release, disclaiming responsibility for AGR, concludes "Information about this message can be obtained by sending an email to: ceo@agor.com" Tony Goetz NV press release, September 2016, available at https://www.tonygoetz.com/data/public/Persnota_Uganda-76007-1.pdf

²⁵³ Agor DMCC's website states, "Representing with NV TONY GOETZ, one of the largest refinery [sic] in Belgium and equipped to work with all precious metal products, including all material that may contain Gold, Silver, Platinum, Rhodium, Iridium, Ruthenium and Rhenium." The website's home page has a slide of gold bars stamped Tony Goetz Gold. Available at www.agor.com/about.html.

²⁵⁴ Goetz Gold LLC is listed by the Dubai company registry as having the same address, phone, and fax number as Agor DMCC: Telephone 971-4-2261866, Fax 971-4-2261860, P.O.Box 65919, available at https://eservices.dubaided.gov.ae/Pages/Anon/TNSrch.aspx?1=1&PID=10106&LID=&sname=Search_Trade_Names&srp=-1&sfm=-1&ifn=419097609&pn=173956&pn2= and <http://www.agor.com/contact.html>

²⁵⁵ See <http://www.goetzgold.com/>

²⁵⁶ For 2015/16, this was made up of 49 shipments from January to July 2016 for a total of 4.221 tons of gold. With the average price of gold of approximately \$40,000 per kilo during that time, that equals \$52.24 million. For 2017, this was made up of 120 shipments. Uganda Revenue Authority Export Statistics for gold, 2017, reviewed by The Sentry. Uganda Revenue Authority Export Statistics for gold, 2015-16 reviewed by The Sentry; www.goldprice.org

²⁵⁷ Email correspondence with AGR, October 2018.

²⁵⁸ Goetz Gold LLC is listed as the Dubai address for Tony Goetz NV, available at <https://www.tonygoetz.com/en/our-company/our-locations.html>

²⁵⁹ According to its website, "Established in 2013, GOETZGOLD is a Dubai-based company focused on buying and selling of precious metals, and in particular gold. Our company is located in the heart of Gold Souq in Dubai, worldwide referred to as the 'City of Gold'. GOETZGOLD is an independent company who has been set up by one of the shareholders of the family owned company NV TONY GOETZ (TG).

GOETZGOLD has two preferential partners, TONY GOETZ and PREMIER GOLD REFINERY." Goetz Gold website, available at <http://www.goetzgold.com/company.php> (accessed February 2018). However, this contradicts the Tony Goetz NV website, which lists Goetz Gold as an address of Tony Goetz NV, <https://www.tonygoetz.com/en/our-company/our-locations.html>

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- ²⁶¹ For full list of company filings, see http://www.ejustice.just.fgov.be/cgi_tsv/tsv_rech.pl?language=fr&btw=0426598575&liste=Liste and <https://cri.nbb.be/bc9/web/catalog;jsessionid=B8BBB224187A37FF1A7C26C12656F057?execution=e1s1#>
- ²⁶² Interview with Leah Butler, Responsible Minerals Initiative, January 24, 2018.
- ²⁶³ See Note 5.
- ²⁶⁴ Alain and Sylvain Goetz, as well as Geraldine Santi are listed as administrators on the board of directors as of August 2018. Recueil Electronique des Sociétés et Associations Numéro, Luxembourg corporate filing RCS : B119953 Référence de publication : RESA_2018_176.827, August 8, 2018, available at <https://gd.lu/resa/IDCPs Memorial, Journal Officiel de Grand Duche de Luxembourg, January 23, 2013, available at http://www.etat.lu/memorial/2013/C/Pdf/c0167231.pdf>; « Vervolgd in België, adres in Luxemburg” *De Tijd*, March 28, 2018, available at <https://www.tijd.be/nieuws/archief/vervolgd-in-belgie-adres-in-luxemburg/9996901.html>
- ²⁶⁵ Belgian corporate filing for Tony Goetz NV, December 4, 2017, available at http://www.ejustice.just.fgov.be/tsv_pdf/2017/12/13/17174894.pdf;
- ²⁶⁶ Certified copy of the Memorandum and Articles of Association of the African Gold Refinery Limited, Republic of Uganda, Reviewed by The Sentry, March 17, 2014
- ²⁶⁷ Articles of association and Joint venture agreements reviewed by The Sentry.
- ²⁶⁸ Ugandan registration document for AGR reviewed by The Sentry.
- ²⁶⁹ Securities and Exchange Commission 2018 filings, Form SD, available at https://searchwww.sec.gov/EDGARFSCClient/jsp/EDGAR_MainAccess.jsp?search_text=%22african%20gold%22&sort=Date&formType=FormSD&isAdv=true&stemming=true&numResults=10&fromDate=01/01/2018&toDate=12/31/2018&numResults=10
- ²⁷⁰ For a full list of company filings, see http://www.ejustice.just.fgov.be/cgi_tsv/tsv_rech.pl?language=fr&btw=0426598575&liste=Liste and <https://cri.nbb.be/bc9/web/catalog;jsessionid=B8BBB224187A37FF1A7C26C12656F057?execution=e1s1#>
- ²⁷¹ Interview with Leah Butler, Responsible Minerals Initiative, January 24, 2018.
- ²⁷² See endnote 3.
- ²⁷³ “In the same year 2001 Tony Goetz transfers the ownership of the company to his sons Alain and Sylvain Goetz.” Tony Goetz NV: A brief history of our company. Available at <https://www.tonygoetz.com/enmobile/our-company/history.html> (last accessed December 2017).
- ²⁷⁴ Alain and Sylvain Goetz, as well as Geraldine Santi are listed as administrators on the board of directors as of August 2018. Recueil Electronique des Sociétés et Associations Numéro, Luxembourg corporate filing RCS : B119953 Référence de publication : RESA_2018_176.827, August 8, 2018, available at <https://gd.lu/resa/IDCPs Memorial, Journal Officiel de Grand Duche de Luxembourg, January 23, 2013, available at http://www.etat.lu/memorial/2013/C/Pdf/c0167231.pdf>; « Vervolgd in België, adres in Luxemburg” *De Tijd*, March 28, 2018, available at <https://www.tijd.be/nieuws/archief/vervolgd-in-belgie-adres-in-luxemburg/9996901.html>
- ²⁷⁵ Belgian corporate filing for Tony Goetz NV, December 4, 2017, available at http://www.ejustice.just.fgov.be/tsv_pdf/2017/12/13/17174894.pdf;
- ²⁷⁶ Certified copy of the Memorandum and Articles of Association of the African Gold Refinery Limited, Republic of Uganda, Reviewed by The Sentry, March 17, 2014
- ²⁷⁷ Memorial, Journal Officiel de Grand Duche de Luxembourg, January 23, 2013, available at <http://www.etat.lu/memorial/2013/C/Pdf/c0167231.pdf>; « Vervolgd in België, adres in Luxemburg” *De Tijd*, March 28, 2018, available at <https://www.tijd.be/nieuws/archief/vervolgd-in-belgie-adres-in-luxemburg/9996901.html>
- ²⁷⁸ Alain and Sylvain Goetz, as well as Geraldine Santi are listed as administrators on the board of directors as of August 2018. Recueil Electronique des Sociétés et Associations Numéro, Luxembourg corporate filing RCS : B119953 Référence de publication : RESA_2018_176.827, August 8, 2018, available at <https://gd.lu/resa/IDCPs Memorial, Journal Officiel de Grand Duche de Luxembourg, January 23, 2013, available at http://www.etat.lu/memorial/2013/C/Pdf/c0167231.pdf>; « Vervolgd in België, adres in Luxemburg” *De Tijd*, March 28, 2018, available at <https://www.tijd.be/nieuws/archief/vervolgd-in-belgie-adres-in-luxemburg/9996901.html>
- ²⁷⁹ Memorial, Journal Officiel de Grand Duche de Luxembourg, January 23, 2013 ; « Vervolgd in België, adres in Luxemburg” *De Tijd*, March 28, 2018, available at <https://www.tijd.be/nieuws/archief/vervolgd-in-belgie-adres-in-luxemburg/9996901.html>
- ²⁸⁰ See www.agor.com



²⁸¹ In an interview with Alain Goetz posted on the Tony Goetz NV website, “Alain Goetz is the co-owner of Tony Goetz NV... and of Agor DMCC.” “In Conversation with Alain Goetz,” *Bullion Bulletin (India)*, February 2013, available at https://www.tonygoetz.com/data/Unsorted/Bullion_bulletin-72661-1.pdf Furthermore, the Tony Goetz NV September 2016 press release, disclaiming responsibility for AGR, concludes “Information about this message can be obtained by sending an email to: ceo@agor.com”

²⁸² Agor DMCC’s website states, “Representing with NV TONY GOETZ, one of the largest refinery in Belgium and equipped to work with all precious metal products, including all material that may contain Gold, Silver, Platinum, Rhodium, Iridium, Ruthenium and Rhenium.” The website’s home page has a slide of gold bars stamped Tony Goetz Gold. Available at www.agor.com

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²⁸⁴ Goetz Gold LLC is listed by the Dubai company registry as having the same address, phone, and fax number as Agor DMCC: Telephone 971-4-2261866, Fax 971-4-2261860, P.O.Box 65919, available at https://eservices.dubaided.gov.ae/Pages/Anon/TNSrch.aspx?1=1&PID=10106&LID=&sname=Search_Trade_Names&srp=-1&sf=-1&ifn=419097609&pn=173956&pn2= and <http://www.agor.com/contact.html>

²⁸⁵ See <http://www.goetgold.com/>

²⁸⁶ Goetz Gold LLC is listed as the Dubai address for Tony Goetz NV on the Tony Goetz NV website. Likewise, Goetz Gold LLC lists its “head office and refinery” at Tony Goetz NV in Antwerp. Furthermore, the logo on the Goetz Gold website is TG. See Tony Goetz NV website, available at <https://www.tonygoetz.com/en/our-company/our-locations.html> (accessed February 2018). Goetz Gold LLC website, available at <http://www.goetgold.com/companydetail.php?pagesid=12> (accessed February 2018).

²⁸⁷ According to its website, “Established in 2013, GOETZGOLD is a Dubai-based company focused on buying and selling of precious metals, and in particular gold. Our company is located in the heart of Gold Souq in Dubai, worldwide referred to as the ‘City of Gold’. GOETZGOLD is an independent company who has been set up by one of the shareholders of the family owned company NV TONY GOETZ (TG).

GOETZGOLD has two preferential partners, TONY GOETZ and PREMIER GOLD REFINERY.” Goetz Gold website, available at <http://www.goetgold.com/company.php> (accessed February 2018). However, this contradicts the Tony Goetz NV website, which lists Goetz Gold as an address of Tony Goetz NV, <https://www.tonygoetz.com/en/our-company/our-locations.html>

²⁸⁸ In 2016, this was made up of 49 shipments from January to July 2016 for a total of 4.221 tons of gold. In 2017 to February 2018, this was made up of 127 shipments for a total of 10.4 tons of gold. With the approximate average price of gold of approximately \$40,000 per kilo during that time, that equals \$584.8 million. Uganda Revenue Authority Export Statistics for gold, 2015-16 and 2017 viewed by The Sentry; www.goldprice.org

²⁸⁹ Email correspondence with AGR, October 2018.

²⁹⁰ Goetz Gold LLC is listed by the Dubai company registry as having the same address, phone, and fax number as Agor DMCC: Telephone 971-4-2261866, Fax 971-4-2261860, P.O.Box 65919, available at https://eservices.dubaided.gov.ae/Pages/Anon/TNSrch.aspx?1=1&PID=10106&LID=&sname=Search_Trade_Names&srp=-1&sf=-1&ifn=419097609&pn=173956&pn2= and <http://www.agor.com/contact.html>

²⁹¹ For full list of company filings, see http://www.ejustice.just.fgov.be/cgi_tsv/tsv_rech.pl?language=fr&btw=0477567325&liste=Liste and <https://cri.nbb.be/bc9/web/catalog?execution=e1s2#>

²⁹² These were two shipments, one on July 6, 2016, and the other on July 20, 2016, for a total of 175 kg of gold. Using the approximate gold price at the time, \$42,000 per kg, this was worth approximately \$7.35 million. Uganda Revenue Authority Export Statistics for gold, 2015-16 reviewed by The Sentry.

²⁹³ Belgian corporate filings for Worldwide Consulting, June 21, 2018, available at <https://cri.nbb.be/bc9/web/catalog?execution=e1s15#>

²⁹⁴ From 2013 until October 2016, BPMI was controlled by Alaxy, Sylvain Goetz, and WorldWide Consulting. During that period (in July 2016), BPMI imported 175 kg of gold from AGR. BPMI then changed its directorship in October 2016 to Cherry Ann Dacdac. Notably, there is overlap with AGR, as Cherry Anne Dacdac is a manager at AGR. The company had changed its address in 2013. http://www.ejustice.just.fgov.be/tsv_pdf/2013/02/07/13023661.pdf; http://www.ejustice.just.fgov.be/tsv_pdf/2016/10/26/16148315.pdf



²⁹⁵ Belgian corporate filing for BPMI, December 4, 2017, available at <https://cri.nbb.be/bc9/web/catalog?execution=e1s9#>; Email correspondence with AGR, August 2018.

²⁹⁶ Annual company filing for Tony Goetz NV, August 2017, available at <https://cri.nbb.be/bc9/web/catalog;jsessionid=19B1D6BE8FB809A90D711A658FCCC4E1?execution=e1s2#>

²⁹⁷ Ibid.

²⁹⁸ Ibid.

²⁹⁹ Belgian corporate filing for Tony Goetz NV, December 4, 2017, available at http://www.ejustice.just.fgov.be/tsv_pdf/2017/12/13/17174894.pdf;

³⁰⁰ Aldabra/Aldbra owns the land that the AGR refinery occupies. Articles of Association and Land Title documents viewed by The Sentry.

³⁰¹ Belgian corporate filing for Alaxy BVBA, June 21, 2018, available at <https://cri.nbb.be/bc9/web/catalog;jsessionid=26179AC2D0CE05F884A80FF65E140FDF?execution=e1s6#> Belgian corporate filing for Alaxy BVBA, May 12, 2014, available at http://www.ejustice.just.fgov.be/tsv_pdf/2014/05/21/14103749.pdf. For full list of company filings, see http://www.ejustice.just.fgov.be/cgi_tsv/tsv_rech.pl?language=fr&btw=0478862274&liste=Liste

³⁰² Belgian corporate filing for Tony Goetz NV, December 4, 2017, available at http://www.ejustice.just.fgov.be/tsv_pdf/2017/12/13/17174894.pdf;

³⁰³ U.N. Security Council, "Final Report," S/2009/603, pp. 37-8; http://www.ejustice.just.fgov.be/tsv_pdf/2009/12/08/09305230.pdf

³⁰⁴ Tony Goetz NV stated, "Berkenrode is currently called Alaxy. The report states that the company of Mr. Ruganyira is registered and known with the Burundi authorities as Berkenrode BVBA SA. Mr. Ruganyira apparently changed the name of his company in 2009 from Gold Link Burundi Trading (GLBT) to Berkenrode BVBA SA. However, the Belgian company, called Berkenrode BVBA was incorporated in 2002, seven years earlier and is an entirely different private limited liability company, that provides management services." Email correspondence with The Sentry, August 2018.

³⁰⁵ Belgian corporate filing for CG-Vastgoed Invest, June 21, 2018, available at <https://cri.nbb.be/bc9/web/catalog;jsessionid=26179AC2D0CE05F884A80FF65E140FDF?execution=e1s2#>; Corporate filing for CG-Vastgoed Invest, January 28, 2013, available at http://www.ejustice.just.fgov.be/tsv_pdf/2013/02/07/13023663.pdf. For full list of company filings, see <https://cri.nbb.be/bc9/web/catalog;jsessionid=26179AC2D0CE05F884A80FF65E140FDF?execution=e1s2#> and http://www.ejustice.just.fgov.be/cgi_tsv/tsv_rech.pl?language=fr&btw=0806408906&liste=Liste

³⁰⁶ Belgian corporate filing for European Guarantee Agency International, January 28, 2013, available at http://www.ejustice.just.fgov.be/tsv_pdf/2013/02/07/13023662.pdf. For full list of company filings, see <https://cri.nbb.be/bc9/web/catalog;jsessionid=26179AC2D0CE05F884A80FF65E140FDF?execution=e1s2#> and http://www.ejustice.just.fgov.be/cgi_tsv/tsv_rech.pl?language=fr&btw=0474727502&liste=Liste

³⁰⁷ Belgian corporate filing for European Guarantee Agency International, June 21, 2018, available at <https://cri.nbb.be/bc9/web/catalog?execution=e1s11#>

³⁰⁸ Belgian corporate filing for GSS NV, June 21, 2018, available at <https://cri.nbb.be/bc9/web/catalog?execution=e1s13#> Belgian corporate filing for GSS NV, January 28, 2013, available at http://www.ejustice.just.fgov.be/tsv_pdf/2013/02/07/13023664.pdf. For full list of company filings, see <https://cri.nbb.be/bc9/web/catalog;jsessionid=26179AC2D0CE05F884A80FF65E140FDF?execution=e1s2#> and http://www.ejustice.just.fgov.be/cgi_tsv/tsv_rech.pl?language=fr&btw=0459534926&liste=Liste

³⁰⁹ Belgian corporate filing for GSS NV, June 21, 2018, available at <https://cri.nbb.be/bc9/web/catalog?execution=e1s13#>

³¹⁰ Belgian corporate filing for Orofino, January 28, 2013, available at http://www.ejustice.just.fgov.be/tsv_pdf/2013/02/07/13023665.pdf. For full list of company filings, see <https://cri.nbb.be/bc9/web/catalog;jsessionid=26179AC2D0CE05F884A80FF65E140FDF?execution=e1s2#> http://www.ejustice.just.fgov.be/cgi_tsv/tsv_rech.pl?language=fr&btw=0892529761&liste=Liste

³¹¹ Belgian corporate filing for Orofino, June 21, 2018, available at <https://cri.nbb.be/bc9/web/catalog;jsessionid=26179AC2D0CE05F884A80FF65E140FDF?execution=e1s2#>;

³¹² Belgian corporate filing for WWG Diamonds, June 21, 2018, available at <https://cri.nbb.be/bc9/web/catalog?execution=e1s13#>; Belgian corporate filing for WWG Diamonds, December 4, 2009, available at http://www.ejustice.just.fgov.be/tsv_pdf/2009/12/08/09305214.pdf. For full list of company filings, see



<https://cri.nbb.be/bc9/web/catalog.jsessionid=26179AC2D0CE05F884A80FF65E140FDF?execution=e1s2#and>
http://www.ejustice.just.fgov.be/cgi_tsv/tsv_rech.pl?language=fr&btw=0821135682&liste=Liste

³¹³ MEMORIAL: Journal Officiel du Grand-Duché de Luxembourg, December 3, 2013, p. 146496, available at <http://www.etat.lu/memorial/2013/C/Pdf/c305203C.pdf>.

³¹⁴ Luxembourg corporate filing for Asteco SA, September 25, 2015, available at <http://www.etat.lu/memorial/2015/C/Html/3310/2015169389.html>

³¹⁵ Belgian corporate filings for Worldwide Consulting, June 21, 2018, available at <https://cri.nbb.be/bc9/web/catalog?execution=e1s15#>

