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**U.S. House of Representatives Committee on Foreign Affairs, Subcommittee on Africa, Global Health, Global Human Rights, and International Organizations**  
**“Protecting Civil Society, Faith-Based Actors, and Political Speech in Sub-Saharan Africa”**  
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Chairman Smith and Ranking Member Bass, thank you for the opportunity to testify on this critical and timely subject.

The ability of civil society to exercise their fundamental rights to self-expression and assembly are increasingly under siege in Sub-Saharan Africa due to the targeted violence and draconian restrictions on communication that allow autocratic rulers to suppress the voices of their people. The two interlocking and primary financial tools of pressure—network sanctions and anti-money laundering measures—can play a key role in creating actual consequences for repression and supporting civil society voices to press for freedoms throughout Africa, despite attempts by officials in those countries to stifle media, religious groups, rights advocates, and other civil society organizations.

The connection between the self-enrichment of elites through corruption and the repression of civil society is clear in the cases of Sub-Saharan African countries rich in natural resources and economic potential but lacking in basic freedoms and respect for human rights. Oil, gold, diamonds, cobalt, copper, and a variety of other mineral deposits and trafficked wildlife provide immense opportunity for those in power to line their own pockets. Brutally repressing all forms of opposition is seen as the only way to maintain control of the spoils, thus hijacking the state by profiting off of total control and unchallenged power. The U.S. government and the broader international community have the tools for financial and diplomatic pressure that can create leverage necessary to stop corrupt actors from using their forces to persecute these groups and commit human rights abuses, and yet these tools have been used sparingly in Sub-Saharan Africa. They have been applied to only a few individuals at a time, with very little enforcement, and are rarely extended to predatory commercial collaborators, both inside and outside the continent, who facilitate and enable official misdeeds.

Serious financial pressure with meaningful consequences is not only possible but critically necessary to protect civil liberties and freedoms in Sub-Saharan Africa. The key ingredients to a more effective cocktail of U.S.-led financial leverage are network sanctions and anti-money laundering measures, working hand-in-glove.

**NETWORK SANCTIONS:** Those responsible for perpetuating conflict and targeting civil society have come to view sanctions as largely ineffective and an underwhelming challenge to their hold on power when only a handful of individuals without ties to the international financial system are sanctioned. The reason is that sanctions regimes focused on this region lack the necessary ingredients to make this policy tool effective. The idea that sanctions in Africa don't work is a product of the design, implementation, and enforcement of sanctions, not the tool itself.

Sanctions must be levied against entire networks that enable authoritarian regimes to oppress civil society, not just the individuals committing the abuses. Deploying these “network sanctions” has been a strategy used by the United States in the cases of Iran, Russia, and North Korea in order to drive them to the negotiating table. This strategy has been bipartisan, extended over the last two administrations, and consistently relied on leadership and direction from Congress. The United States deployed extensive sanctions targeting Iran’s leadership and military networks in an effort to disrupt the illicit funding streams used by the country’s ruling elites to maintain their grip on Iran’s government and economy, including by undermining Iranian civil society. In two cases, specifically Executive Orders 13606 and 13628, these sanctions specifically focused on Iran’s targeting of civil society. These are important models to build from in order to ensure protection for civil society in Sub-Saharan Africa.

They are important models because they focus on networks. Sanctions that target full networks in this way are powerful tools for changing behavior and pressuring targeted individuals to alter behavior or come to the negotiating table. Network sanctions work because they affect not only the primary individuals themselves but also those who are acting on their behalf and entities owned or controlled by the primary individuals. By sanctioning these individuals and entities at once, or in close succession, an individual’s network does not have enough time to absorb and adjust to the financial impact of being cut off from the U.S. financial system.

Network sanctions would have a dramatic effect in protecting civil society in countries such as South Sudan, Sudan, the Democratic Republic of the Congo (Congo), and the Central African Republic, all places where interlocking kleptocratic networks involving political and military officials, allied businessmen, arms dealers, and international financial facilitators profit from mayhem and obtain technology from commercial partners that allow them to suppress their populations. The U.S. Department of the Treasury—as well as its counterparts in the European Union and elsewhere—should go further, escalating the financial pressures against entire networks in Sub-Saharan Africa and those around the world that support them.

Fortunately, thanks again to Congress, Treasury has an important new tool in its arsenal. The Global Magnitsky Act, championed by Chairman Chris Smith (R-NJ), is a demonstration of how problems can be successfully addressed in a bipartisan manner when both the House and Senate work together. This groundbreaking legislation empowers the U.S. government with the authority to place sanctions on corrupt public officials and their associates across the world that misappropriate state assets as well as anyone who attacks journalists and human rights defenders.

The legislation provides the president standing authority, which was then enhanced through an executive order, to impose sanctions on non-U.S. citizens responsible for corruption or serious human rights abuse. It also enhances congressional and nongovernmental organization (NGO) involvement in the designation of individuals. The first round of designations announced in December of 2017 demonstrated the robustness of this tool and its ability to address corruption around the globe.

Congress must now build on this great success by continuing to ensure the tool is used, and also by ensuring the Treasury Department has the necessary resources to investigate, implement, and enforce designations. Congress set a critical marker when it focused on corruption and the targeting of civil society for sanctions, and we have all seen the impact of this congressional leadership, particularly when Treasury can impose massive financial penalties for failure to comply.

**ANTI-MONEY LAUNDERING MEASURES:** Even with Global Magnitsky, sanctions are not the only piece of the puzzle. The increasingly effective use of anti-money laundering measures to focus on corrupt and

criminal regimes that are also targeting civil society must also be extended to Sub-Saharan Africa. As also used effectively in dealing with Iran, North Korea, Burma, and others, when corrupt leaders or their business associates take bribes or otherwise divert public funds into their private accounts, then place those funds in the formal banking system, that is money laundering. Our research shows this occurring across South Sudan, Sudan, and Congo, usually routing through neighboring countries, and largely in U.S. dollars. That means the U.S. government can act, whether through such means as public advisories to banks, requests from the Financial Crimes Enforcement Network (FinCEN) to thousands of banks on specific targets of interest, or the designation of countries, institutions, or even classes of transactions as primary money laundering concerns.

In September of 2017, FinCEN took the first step and issued an advisory on the risks of money laundering when conducting business in South Sudan or with South Sudanese officials and their families, even when such activity takes place outside of the country. This move significantly raised the profile of South Sudanese corruption and money laundering, prompting regional and global banks to begin conducting long-overdue investigations and taking action against specific accounts. This action can and should be built upon, with further action on South Sudan and extending to other regimes targeting civil society and using laundered funds to do it.

**CONGRESS' ROLE:** As indicated above, in many cases over the last 10 years, whether on Iran, Russia, or North Korea, some of the most effective financial pressure measures have been imposed by Congress. Congress, and in particular this committee led by Representative Smith, has been steadfast in commitment to the people of Sudan, Congo, and beyond. It is time to bring those two elements together and ensure that critical legislation related to those countries, and more broadly to beneficial ownership that can enable implementation of financial pressures, passes during this Congress.

**THE SENTRY'S ROLE:** Finally, even with new authorities and potentially increased staffing, the U.S. government, like most governments and banks, will only be able to devote the most basic levels of resources to the collection of evidence on Africa's illicit financial flows, which means that officials and companies benefiting from them may still face little risk of getting caught.

This is where our investigative initiative, The Sentry, comes in. The Sentry is a team with decades of experience in law enforcement, intelligence, investigative journalism, corporate security, and policymaking. With this experience, we follow the money being looted from resource-rich, war-torn East and Central African countries and track where it ends up across the globe. We collect the evidence of illicit financial activity connected to conflict, human rights abuses (including where focused on targeting civil society), and corruption. Then we undertake financial and other investigations and construct dossiers that can be used by regulators, law enforcement, and prosecutors. The unique value of this approach is its precise focus on affecting disruptive action using the tools of financial pressure I have just outlined.

The reality is that there are libraries full of reports—alleging corruption or showing how civil society space is being constricted—that have no impact on policy. Disruptive action is not possible without solid evidence, a direct connection between illicit gains and the crimes they fund, and close relationships with authorities and financial institutions responsible for implementing the tools of financial pressure. We will continue to place the work of The Sentry at the disposal of this committee and other congressional committees seeking to make an impact on these issues, as well as the executive branch and banks.

## Civil Society Under Threat in the World's Deadliest Region

Before I address additional ways in which the United States can help to empower groups seeking to exercise these freedoms in repressive societies, I'd like to provide some context by giving an overview of the current situation in several of the countries that my organizations, the Enough Project and The Sentry, follow.

### Sudan

In Sudan, the regime of President Omar Hassan al-Bashir has a deplorable record of widespread violations of the fundamental rights of its people to free expression, association, and assembly, matched only by its systemic attacks on the freedom of religion and conscience. The first quarter of 2018 has brought additional evidence that the regime does not have the political will to end its attacks on the civic space, even as it engaged in aggressive efforts to normalize its strained relations with the United States, the European Union, and the international community at large.

Facing widespread popular protests against steep rises in the cost of living resulting from the regime's corruption and mismanagement of the economy, national police and agents of the notorious National Intelligence and Security Services (NISS) responded with indiscriminate use of force against peaceful protesters, using tear gas, batons, rubber bullets, and live ammunition. In Darfur, police and NISS live ammunition killed a student and injured six others in El-Geneina in West Darfur on January 7, 2018. On January 20, NISS and the Sudanese army intervened against protesting displaced people in Zalingei, Central Darfur, killing at least five protesters and injuring 26, according to a joint letter sent to the United Nations' human rights bodies. Across the country, scores of rights defenders, journalists, lawyers, and opposition leaders and activists were detained by the NISS, and many were subjected to ill treatment and torture.

Indicative of the Bashir regime's hostility toward the press is the detention of 18 journalists, including international correspondents, for covering the early 2018 protests. The regime has a deplorable record of repeated detention and banning of journalists, as well as confiscation of newspapers that defy its "redlines" by reporting on rampant grand corruption and mass atrocities in conflict areas. Independent radio and TV stations fare no better, and internet services were interrupted during similar protests in September 2013.

On April 10, 2018, President al-Bashir ordered the release of all political detainees held in connection with the January and February protests against economic hardships. Some 57 detainees were released, with many having spent more than 10 weeks in arbitrary detention without charge or trial, and denied access to their families and to lawyers and doctors. The release conveniently occurred days ahead of a scheduled monitoring visit by the U.N. independent expert on the human rights situation to Sudan. However, Sudanese human rights organizations reported on hundreds of other victims of prolonged detention—a majority of them from Darfur—remaining in the regime's prisons and secret detention centers.

This incident simply illustrates the transactional behavior of an autocratic regime that believes it can deceive the world of its real intentions, which are aligned far more with the likes of Russia and North Korea, by making token concessions while remaining relentless in its repression of civil society and indeed all of its people. Congress should continue to make clear it is squarely opposed to the current trajectory of U.S. policy on Sudan, which continues toward normalization.

## South Sudan

In South Sudan, perhaps the most extreme and blatant example of violent kleptocracy, civic space continues to be severely constrained. The National Security Service (NSS ) has sweeping powers of arrest and detention and has used these powers to limit the space for civil society by arresting activists and detaining them for unspecified periods without trial, as well as banning them from foreign travel and confiscating their passports. In addition to arbitrary arrest and detention, freedom of association is severely curtailed. In February, agents from the NSS shut down a rally in Juba that was organized by youth who had participated in the ongoing peace talks in Ethiopia.

This pressure extends beyond the borders of South Sudan into the neighboring countries that continue to enable the conflict. Two leading activists, Dong Samuel and Aggrey Idri, were kidnapped in Kenya in early 2017 and have not been seen since. Many believe they are either dead or being held in South Sudan. Their cases should be prioritized, their whereabouts should be revealed, and there must be accountability for those in the Kenyan and South Sudanese governments responsible for their disappearance and abuse.

Media and humanitarian workers face similar pressures. Government and rebel attacks on humanitarian aid workers, including holding them for ransom, threaten the livelihoods of thousands of civilians in need of assistance. The U.N. also said it recorded 60 incidents between July 2016 and December 2017 in which South Sudanese journalists were “killed, beaten, detained, denied entry or fired for doing their jobs.” The government has blocked major news websites based outside the country, such as Sudan Tribune and Radio Tamazuj.

## The Democratic Republic of Congo (Congo)

In Congo, space for independent civil society and democratic protests is shrinking as government repression continues. According to the Kabila government’s own assessment, 14 civilian deaths occurred as a result of security force repression against peaceful protesters outside Catholic churches on December 31, 2017, and January 14, 2018, as security forces fired on churchgoers. Security forces continue repression tactics against civil society groups. On May 1, security forces arrested 30 activists from the pro-democracy group LUCHA. Although the activists were later released, their arrest follows a clear pattern of intimidation tactics and underscores lack of political will to facilitate a peaceful, inclusive electoral environment. On May 1, the Catholic Secular Coordination Committee (CLC) announced an end to a self-imposed moratorium on peaceful protesting and underscored the need for increased pressures, including protests, to ensure credible elections in December 2018. The Kabila government’s track record of violent repression against civil society, pro-democracy movements, and faith-based groups raises concerns that these protests will be met with a fresh wave of violent repression.

## Central African Republic (CAR)

A recent wave of sectarian violence in Bangui, CAR, underscores the ongoing fragility of the security situation. Casualties from the most recent wave of attacks in Bangui rose to 51 deaths and 220 injured as of May 3, 2018. While the perpetrators of recent attacks remain unclear, inter-communal tensions are stoked by widespread hate speech and inflammatory rhetoric, including through local and national media outlets. Journalists are also regularly targeted, and civil society groups report restrictions on civic space as the security situation worsens.

Lack of accountability for perpetrators of serious human rights abuses remains a critical barrier to peace, particularly respect for civil society's role. Non-state armed groups continue to retain control of diamond and gold mining sites, particularly in the eastern provinces. The Special Criminal Court, the "hybrid" tribunal that has jurisdiction over grave human rights violations and serious violations of international humanitarian law committed since 2003, is taking steps to open investigations, but remains under-resourced and without clear protection mechanisms for those working with it. Strengthening the Special Criminal Court will be essential for future protection of civic space in CAR.

#### New Sanctions Tools and Better Utilizing Those We Have

Sanctions have long been an answer when considering how to respond to these situations in Sub-Saharan Africa. But it is only recently that the United States has begun to use sanctions for actual impact, rather than messaging and symbolism. Since 9/11, but particularly over the course of the last decade, the United States—in many cases initiated by Congress—has developed a smarter and more sophisticated set of tools that can actually impact the perpetrators, the oppressors, and their networks.

The use of network sanctions, as discussed earlier in this testimony, is an important approach to financial pressure that is often not fully understood. We have almost never deployed this approach to deal with the regimes in Sub-Saharan Africa that focus on undermining civil society and essentially destroying their own countries for their financial benefit. That is starting to change. In June 2017, Treasury designated a key Congolese general close to President Joseph Kabila and one of his companies, a hotel. Then, in September 2017, Treasury designated three senior South Sudanese officials and three companies owned by one general. In both cases, our investigative initiative, The Sentry, had gathered key evidence on these generals and provided it to Treasury, including information on their banking patterns.

Then came the implementation of the Global Magnitsky Human Rights Accountability Act (Global Magnitsky Act)—again, Congress leading the way with new sanctions tools. On December 21, 2017, President Donald Trump signed Executive Order 13818, "Blocking the Property of Persons Involved in Serious Human Rights Abuse or Corruption." Executive Order 13818 implemented the Global Magnitsky Act, which had been passed by Congress and signed into law the previous year. Executive Order 13818 allows the Treasury Department to sanction any person who is a current or former government official, or a person acting for or on behalf of such an official, who is responsible for or complicit in or has directly or indirectly engaged in corruption or the transfer or facilitation of the transfer of the proceeds of corruption, or who is responsible for or complicit in or has directly or indirectly engaged in serious human rights abuse.

Included in the Annex to Executive Order 13818 were Dan Gertler, Benjamin Bol Mel, and Sergey Kusiuk, among others. Gertler is an Israeli billionaire who maintains a close relationship with President Kabila. According to the Treasury Department, Gertler amassed his fortune through hundreds of millions of dollars' worth of opaque and corrupt mining and oil deals in Congo. Gertler has used his close friendship with President Kabila to act as a middleman for mining asset sales in Congo, requiring some multinational companies to go through Gertler to do business with the Congolese state. As a result, between 2010 and 2012 alone, Congo reportedly lost over \$1.36 billion in revenues from the underpricing of mining assets that were sold to offshore companies linked to Gertler.

Benjamin Bol Mel is the president of ABMC Thai-South Sudan Construction Company Limited (ABMC) and has served as the chairman of the South Sudan Chamber of Commerce, Industry, and

Agriculture. Bol Mel has also served as South Sudanese President Salva Kiir's principal financial advisor, has been President Kiir's private secretary, and was perceived within the government as being close to President Kiir and the local business community. Several officials were linked to ABMC in spite of a constitutional prohibition on top government officials transacting commercial business or earning income from outside the government. President Kabila and President Kiir can only hold onto power by repressing civil society because they have money to do it—and their cronies, like Gertler and Bol Mel, make that possible.

Sergey Kusiuk was not a moneyman like Gertler and Bol Mel but was himself directly involved in assaults on civil society in his role as commander of an elite Ukrainian police unit, the Berkut. Ukraine's Special Investigations Department investigating crimes against activists identified Kusiuk as a leader of an attack on peaceful protesters on November 30, 2013, while in charge of 290 Berkut officers, many of whom took part in the beating of activists. Kusiuk has been named by the Ukrainian General Prosecutor's Office as an individual who took part in killing activists on Kyiv's Independence Square in February 2014. Kusiuk ordered the destruction of documentation related to the events, and has fled Ukraine and is now in hiding in Moscow, Russia, where he was identified dispersing protesters as part of a Russian riot police unit in June 2017.

Congress and NGOs in the United States and around the world have been invited to submit names of possible sanctions designation targets to the Treasury and State Departments for consideration. A coalition of NGOs led by Human Rights First and Freedom House is indicative of a vibrant civil society serving as a key partner for a government willing to engage.

There are other executive orders that mention civil society in designation criteria. Executive Order 13692, "Blocking Property and Suspending Entry of Certain Persons Contributing to the Situation in Venezuela," allows the Treasury Department to sanction those who engage in actions or policies that undermine democratic processes or institutions in Venezuela; significant acts of violence or conduct that constitutes a serious abuse or violation of human rights, including against persons involved in antigovernment protests in Venezuela in or since February 2014; and/or actions that prohibit, limit, or penalize the exercise of freedom of expression or peaceful assembly. In Zimbabwe, Executive Order 13469, "Blocking Property of Additional Persons Undermining Democratic Processes or Institutions in Zimbabwe," allows Treasury to sanction persons who have engaged in actions or policies to undermine Zimbabwe's democratic processes or institutions, and/or who are responsible for or have participated in human rights abuses related to political repression in Zimbabwe.

While new power such as the Global Magnitsky Act and its accompanying executive order can have a dramatic impact in this effort, a critical opportunity exists to do even more to help the people of Sub-Saharan Africa by deploying new sanctions authorities adapted from those the United States has already used for years in other parts of the world, specifically Iran and Syria. These authorities, such as Executive Order 13606 of April 22, 2012, and Executive Order 13628 of October 9, 2012, can and should be replicated to target the support networks providing technology and equipment that enable regimes such as those of President al-Bashir, President Kiir, and President Kabila to engage in surveillance, censorship, and human rights abuses against their own people.

The sanctions authorities that allow the United States to target those engaging in or otherwise supporting surveillance, censorship, and human rights abuses in Iran and Syria should serve as a model for new powers that allow the Treasury Department to help the people of Sub-Saharan Africa express their rights in the face of increasingly sophisticated technological repression. Blocking those who engage

in this activity from accessing the U.S. financial system is a classic example of the network sanctions that my organization, The Sentry, advocates for to combat human rights abuses in Sub-Saharan Africa. While the Global Magnitsky Act and Executive Order 13818 allow for the United States to sanction persons responsible for or complicit in serious human rights abuse, it is unclear whether censorship and surveillance meet the legal standard necessary to use this tool against that activity. Further, it is unclear whether under Global Magnitsky providing technology or equipment to undesignated persons involved in serious human rights abuse is sufficient for designation unless the perpetrator is sanctioned. This is where existing sanctions fall short, and why Congress and the administration should look to Executive Orders 13606 and 13628 as models.

Executive Order 13606, “Blocking the Property and Suspending Entry into the United States of Certain Persons With Respect to Grave Human Rights Abuses by the Governments of Iran and Syria via Information Technology,” also known as the GHRVITY E.O., was pioneering in targeting a government’s ability to conduct surveillance of its people. This executive order allows the Treasury Department to sanction any person determined to have operated information and communications technology that facilitates computer or network disruption, monitoring, or tracking that could assist in or enable serious human rights abuses by or on behalf of the governments of Iran or Syria. It also allows the sanctioning of those who have sold, leased, or otherwise provided goods, services, or technology to Iran or Syria likely to be used to facilitate computer or network disruption, monitoring, or tracking that could assist in or enable serious human rights abuses by or on behalf of the governments of Iran or Syria. Examples of those sanctioned pursuant to this authority include Ali Mamluk, the director of the Syrian General Intelligence Directorate (GID), who oversaw a communications program in Syria that was directed at opposition groups; and Datak Telecom, an Iranian internet service provider that has collaborated with the government of Iran to provide information on individuals trying to circumvent the government’s blocks on internet content, allowing for their monitoring, tracking, and targeting by the government of Iran.

Executive Order 13628, “Authorizing the Implementation of Certain Sanctions Set Forth in the Iran Threat Reduction and Syria Human Rights Act of 2012 and Additional Sanctions With Respect to Iran,” complements the GHRVITY E.O. by focusing on the transfer of technology related to serious human rights abuses and those who engage in censorship or other activities that interfere with the ability of the citizens of Iran to exercise freedom of expression or assembly. Specifically, Section 2 of Executive Order 13628 allows the Treasury Department to sanction any person determined to have knowingly—on or after August 10, 2012, when the president signed the Iranian Threat Reduction Act of 2012—transferred or facilitated the transfer of goods or technologies to Iran, to any entity organized under the laws of Iran or otherwise subject to the jurisdiction of the government of Iran, or to any national of Iran, for use in Iran, that are likely to be used by the government of Iran or by any other person on behalf of the government of Iran to commit serious human rights abuses against the people of Iran. It also allows the Treasury Department to sanction persons who have knowingly—on or after August 10, 2012—provided services, including services relating to hardware, software, or specialized information or professional consulting, engineering, or support services, with respect to goods or technologies that have been transferred to Iran and that are likely to be used by the government of Iran or any of its agencies or instrumentalities, or by any other person on behalf of the government of Iran or any of such agencies or instrumentalities, to commit serious human rights abuses against the people of Iran. Section 3 further allows the designation of any person who has engaged in censorship or other activities with respect to Iran—on or after June 12, 2009—that prohibit, limit, or penalize the exercise of freedom of expression or assembly by citizens of Iran, or that limit access to print or broadcast media, including the facilitation or support of intentional frequency manipulation by the government of Iran or an entity owned or



controlled by the government of Iran that would jam or restrict an international signal. This sanctions authority has been frequently used over the years, including as recently as this past January when the Office of Foreign Assets Control (OFAC) designated Iran's Supreme Council for Cyberspace for engaging in censorship. According to OFAC, the Supreme Council of Cyberspace oversees the Iranian regime's disruption of the free flow of information by restricting access to tens of thousands of websites, particularly those of international news sources, anti-regime outlets, ethnic and religious minorities, human rights groups, and popular social media sites.

Creating a global authority based on these sanctions programs that are narrowly targeted against Iran and Syria would allow the U.S. government to further bolster its ability to create space for civil society by using the U.S. financial system as leverage to incentivize a change in behavior by these repressive regimes.

#### Better Resourcing Current Sanctions Efforts

Equally as important is ensuring that those in our government who are already charged with implementing existing authorities such as the Global Magnitsky, South Sudan, and Congo sanctions programs are sufficiently resourced. For example, the team at OFAC responsible for identifying and developing the underlying cases for designations, as well as adjudicating petitions for delisting and numerous other tasks in these programs, requires additional staff to balance the demands of these programs with others such as Venezuela and Libya for which they are also responsible, as do the attorneys at the Treasury Department and Department of Justice who review their work for legal sufficiency. It is essential that Congress urgently provide additional funding to Treasury's Office of Terrorism and Financial Intelligence and the Department of Justice's Civil Division so that these offices can effectively and robustly administer these sanctions programs. A very small investment can create significant additional capacities at these agencies, and we hope the subcommittee will support the appropriations request for \$3.25 million dedicated to building capacity in these areas as the appropriations process moves forward.

#### Anti-Money Laundering Measures

In addition to sanctions, we should ensure that the power to disrupt money laundering is also deployed in service of protecting civil society. In cases such as South Sudan, the networks engaged in repressing civil society comprise the same people who are laundering the proceeds of corruption through neighboring countries, particularly Kenya and Uganda, and into the global financial system. Because they are using U.S. dollars to launder their money, it is banks in New York that are ultimately implicated.

Although repressing civil society is not a predicate offense for money laundering, research by The Sentry, U.N. Panels of Experts, and journalists show that the networks involved in these activities are often the same. As such, FinCEN can be encouraged to deploy tools such as Advisories, record requests from banks pursuant to 314(a) of the Patriot Act, and declarations of primary laundering concerns under 311 of the Patriot Act to counter these networks.

#### Export Controls

Export controls are another way in which regulatory mechanisms can prevent U.S. goods or technology from being used to persecute civil society. The United States is a party to the Wassenaar Arrangement, which is an international framework that agrees to control transfers of conventional arms and dual-use

goods and technologies. In December 2013, the Wassenaar Arrangement ratified proposals intended to control the transfer of commercial surveillance software products and Internet Protocol (IP) network surveillance systems. Technologies subject to export restrictions that appear on the Department of Commerce's Control List include an extensive array of products that can be used by malign actors to suppress those attempting to exercise basic freedoms.

The Department of Commerce should continue to enhance its use of these tools. Recently, Commerce took an important step in addressing the crisis in South Sudan by applying licensing requirements for exports and re-exports to a wide range of public and private entities in South Sudan, from government ministries to the state-owned oil company to a range of private firms, all of which were placed on the Entities List. Integrating Commerce's powers to prevent export of technologies harmful to civil society along with a focus on regimes like South Sudan's will enable a more proactive and integrated response to protecting civic space.

### Final Recommendations

In addition to the need that I just outlined for more funding on sanctions, ant-money laundering, and export controls implementation, Congress and in particular the members of this subcommittee have a critical role to play in helping to shape and push for better policies in countries like CAR, Congo, South Sudan, and Sudan. As described, Congress has led the way in this area, from the focus on this region since the early 2000s, Global Magnitsky legislation, and sanctions legislation focused on Iran, Russia, North Korea, and others.

Specifically, I want to make the following recommendations:

- **We must see strong Congo legislation introduced immediately.** The Kabila regime has remained in power and continues to rob the country of its great wealth while refusing to adhere to agreements to hold free and fair elections and open political space. I know both the House and Senate have been working on introducing bills, and that cannot happen soon enough. Please do not leave for Memorial Day recess without having put a bill forward, as every moment we wait to take strong action on the Congo, the likelihood of violence and instability increases.
- **Speak out in strong opposition regarding any move to normalize relations with Sudan.** Congress has a long, bipartisan history of advocating for peace and human rights for the people of Sudan, and now is the time that we need that voice both publicly and behind the scenes. The current administration as well as the Obama administration have set the United States on a path where we will have given up the best leverage we have over Sudan at a time of deep economic crisis, and in return see the same regime—led by the same brutal leader—remain in power, engaging in largely the same activities. The committee should follow up on the recent bipartisan Sudan to Deputy Secretary of State Sullivan letter with an additional letter or statement making it clear that those in positions of oversight in Congress are squarely opposed to the current trajectory of our Sudan policy.
- **Support beneficial ownership legislation.** The United States, due to its beneficial ownership laws, is too often used to launder the proceeds of corruption. A wide coalition from across the political spectrum supports addressing beneficial ownership, and legislation has been drafted and is gaining support in the House and Senate. This subcommittee has a unique voice in demonstrating why this issue is not only good for addressing terrorist financing and tax evasion,

among other critical issues, but also for addressing the rampant corruption fueling violence in places like Congo and South Sudan.

- **Increase in Attention and Pressure on South Sudan.** While having recently taken some very positive steps on South Sudan, the U.S. government needs to drastically increase pressure on the kleptocratic elites fueling the conflict in South Sudan. If the administration is unwilling to take swift action amending Executive Order 13664 to strengthen the financial restrictions and designation criteria, as well as committing greater Treasury and Department of Justice resources to focus on utilizing these tools, then Congress should step in and fill that void.

### Conclusion

I'd like to thank the committee for the opportunity to testify today on such an important issue that affects millions of people across Sub-Saharan Africa. The United States has robust financial tools to successfully address conflict in East and Central Africa, but lacks the strategic approach and political will to implement them effectively. Congress can help provide these necessary ingredients and forge a new and more effective policy approach.