

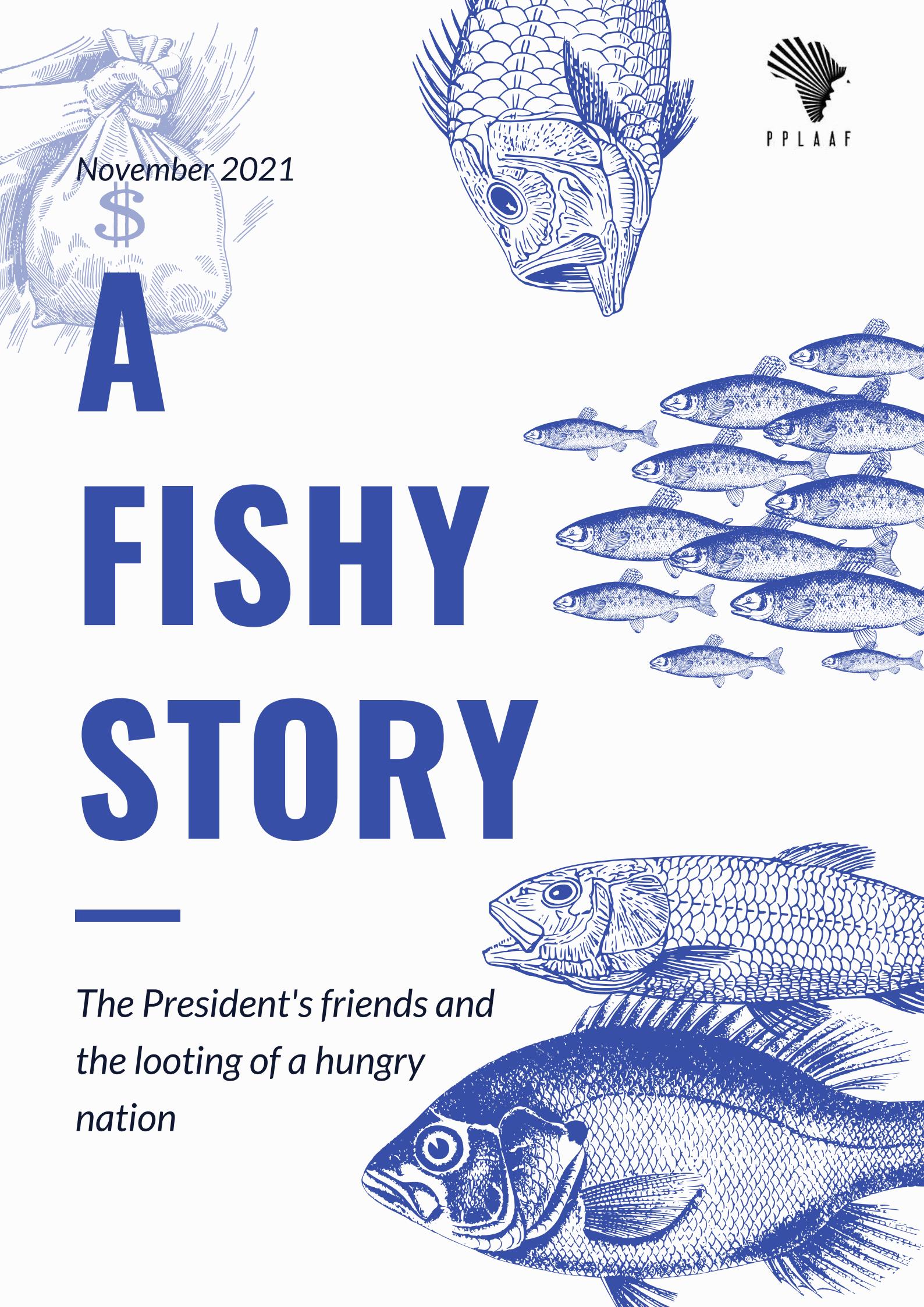


November 2021

# A FISHY STORY

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*The President's friends and  
the looting of a hungry  
nation*



# Foreword

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This report is part of a series of publications by the Platform to Protect Whistleblowers in Africa ([PPLAAF](#)) and its partners in the Congo Hold-up project.

[Congo Hold-up](#), the largest leak from the African continent to date, reveals how the commercial bank BGFI has been used to plunder the Democratic Republic of Congo's public funds and natural resources, largely for the enrichment of former President Joseph Kabila's inner circle.

PPLAAF first exposed BGFI's corrupt transactions in July 2017. Working closely with whistleblower Jean-Jacques Lumumba – former head of the credit department of BGFI in Congo – we worked with journalists at Le Monde and OCCRP to show how public money was embezzled, notably to buy wild animals in Namibia for Kabila's private farms. PPLAAF has also been providing Lumumba with pro-bono legal counsel since January 2017.

BGFI – now the largest bank in Central Africa – has a troubled history of sheltering corrupt deals involving African autocrats and European companies. In Congo, it served as a hub for those seeking to unduly influence the then-President, including Chinese state-owned companies involved in massive mining ventures. BGFI provided dodgy networks of businessmen, politicians, alleged Hezbollah financiers and others, with access to the international banking system.

In an unprecedented alliance for research in the public interest, the journalists' network European Investigative Collaborations ([EIC](#)) and its media partners have teamed up with a group of non-profit research organisations led by [PPLAAF](#), together with the [Congo Research Group](#), [Public Eye](#), [Resource Matters](#) and [The Sentry](#). Together, the partners researched the Congo Hold-up documents over a six-month period. The media and NGOs carried out fact-checking, the confrontation process and the writing of their reports independently.

The leak was obtained by PPLAAF and [Mediapart](#) and consists of over 3.5 million documents from BGFI, as well as millions of transactions covering a period of about ten years.

The documents show that the Kabila family and its associates diverted at least \$138 million of state money from 2013 to 2018 through their accounts at BGFI. They received a further \$105 million of unknown origin, \$33 million of it in cash. In Congo, 70% of people live on less than \$2 a day.

## *Introduction*

# CONGO'S 'PATRIOTIC' FOOD COMPANY

The company Egal billed itself as a patriotic venture, aiming to bring down food prices for ordinary Congolese. But leaked documents show it helped itself to \$43 million from state coffers, as part of a wider looting operation that diverted at least \$138 million of government money—all with the help of Central Africa's largest commercial bank, BGFI.



It is with a cymbal clash and an anthem of synthesizer violins that the food company sets out its stall [in a 12-minute YouTube video](#), proudly describing its achievements in the Democratic Republic of Congo, one of the most hunger-stricken countries on the planet. Images show a newly built port on the Congo river receiving the company's 3,000- and 4,000-tonne cargo ships, a modern abattoir and huge refrigerated warehouses.

"Egal is a company that's 100% Congolese" that aims to provide the whole country with fresh food "at prices defying any competition," says the promotional video.

No business is more fundamental than food to the well-being of this nation of 100 million people. Congo is two-thirds the size of western Europe, with enough rich arable land to feed many times its population, but is suffering from reportedly unprecedented hunger levels. The International Rescue Committee said earlier this year that "over 21 million Congolese are facing a severe hunger crisis—the highest number ever recorded in any country".

Twenty-three years of cruel rule under Belgium's King Leopold II in the 19th century, over three decades of dictatorship under kleptocratic dictator Mobutu Sese Seko, and seven years as the scene of "Africa's world war" from 1996 to 2003, have all played their role in Congo's present troubles. But staggering corruption under more recent rulers – Mobutu's successor Laurent Désiré Kabila, and his son Joseph Kabila – have also contributed heavily.

### **Food power cut**

In early 2014, when Entreprise Générale d'Alimentation et de Logistique, or Egal, emerged out of nowhere to become one of Congo's dominant food importers, the country was sitting at the bottom of the Global Hunger Index, alongside Burundi, Chad and Eritrea. Families in the capital Kinshasa developed a survival strategy known locally as délestage alimentaire, or "food power-cut": parents would go for a day or two without food, so their children could eat. And then children would take their turn, foregoing meals to allow their parents to relieve their hunger.

The previous year, Lebanese-based consultancy Menaa Finance had published a study of rising local food prices, commissioned by the Congolese government. The report found that consumers in Kinshasa paid much more than African counterparts for staple foods: prices were roughly 50-70% higher than in West Africa, and were even a fifth above those in Congo-Brazzaville, just across the Congo river. Overpriced items included frozen chicken and horse mackerel, a small silver fish that accounts for some \$70 million a year of Congo's imports.

Menaa found the blame for Kinshasa's high prices lay in an "oligopoly of big importers", all using secretive shell companies to make excessive margins on their sales. Huge profits would be captured offshore, in places including Monaco, Lebanon and the Netherlands, according to the consultancy.

According to the report, big importers behave like a cartel, using their dominant position in the market, as they control the whole distribution chain for imported foodstuffs. The report adds that other factors exacerbated matters, including a severe lack of capacity at Congo's main port, Matadi, at the mouth of the Congo river.

It was amid outrage at Menaa's findings that Albert Yuma – a Congolese financial kingpin, as chairman of the main state mining company Gécamines - decided to enter the food market. First, he tried to buy Congo's biggest food importer, Orgaman, from long-established Belgian family Damseaux. He met with a refusal. Then, he set up Egal, initially focusing on horse mackerel imports from Namibia.

Egal had help from all quarters. In January 2014, just as its business was starting up, it got a unique and privileged customs exoneration on fish caught in Congolese or Namibian waters—a measure worth many millions of dollars to the company. It was also exempted from profit tax, land tax and duties on imports of equipment.

Soon, a port to service Egal and sister companies - Kuntuala Terminal - was being built, located nearer to the Atlantic Ocean than Matadi. Egal bought ships in the Faroe Islands and Scotland, paying its sailors through the Faroe Islands capital of Torshavn and importing foodstuffs through a shell company in Hong Kong. Egal claimed to have set out to put right the wrongs identified by Menaa, but it looks more like the report served as its how-to guide.

"The fixing of prices of foodstuffs has obeyed the law of monopoly by a handful of foreign companies," reads a briefing on Egal by its bankers, the Congo branch of Banque Gabonaise Française et Internationale (BGFIBank RDC). "Faced with this arbitrary hiking of prices in the sector, some Congolese patriots launched the project [Egal]... to offer to Congolese populations competitively and fairly priced [food]."

### **Market dominance**

Horse mackerel from Namibia was Egal's core import. The company quickly overtook major competitors in the southern African nation—including Damseaux interests and companies dealing with [the Tajideen brothers, suspected of financing Hezbollah](#).

A November 2014 email briefing sent by an executive of one of the largest fishing interests active in Namibia – released [in the giant 2019 "Fishrot" leak](#) – made the point clearly. "Tadjideen is gone, Damso [sic] is gone (not in frozen fish today)".

"The next person to try out is Egal," he wrote, claiming the company was close to the Congolese President's family. Gradually, doors were opening for Egal, and closing for its competitors.

Egal's former General Manager, Eric Monga, wrote to PPLAAF that "it is well known that with the arrival of Egal in the market, horse mackerel and food prices have fallen". But things are not so clear, going by Kinshasa market prices published online by Congo's Institut National de la Statistique, the Agence Congolaise de Presse, and the United Nations' Radio Okapi.

By end-2016, two years into Egal's business, horse mackerel prices were more than 50% above the levels they were at in mid-2013, when the Menaa report was published. They rose over the following years, although by 2020 prices had come down slightly if converted from Congolese francs to dollars, according to our calculations. There is little evidence to show Egal's patriotic mission was a success.

Nevertheless, the company and its network of interests have grown. That has not been down to patriotism or business acumen. In fact, Egal consistently made losses and it built up staggering overdrafts and arrears with BGFI. It was rather thanks to three factors: the Central Bank of Congo; the Congolese branch of Central Africa's no.1 bank, BGFI; and connections to the elite around Kabila, whose presidency came to an end in January 2019.



After winning 2011 presidential elections, Kabila expanded his business empire

### **Central Bank money**

Documents leaked to Belgium's *Le Soir* newspaper in October 2016 showed that an Egal account at BGFI received at least \$43 million from the Central Bank, which the institution has claimed ignorance of.

Now, the financial records leaked to PPLAAF, Mediapart and the Congo Hold-up project reveal far more about Egal's illicit finances. The documents show how Egal, BGFI and the Congolese authorities covered up the corruption—and that an additional \$34.6 million was transferred to Egal from mysterious sources, almost all of it transiting through BGFI's account at the Central Bank.

The \$43 million of diverted Central Bank funds transferred to Egal was used as collateral, allowing BGFI's Congo branch – run at the time by President Kabila's adopted brother Francis Selemani, and 40%-owned by Kabila's sister – to lend Egal tens of millions of dollars. Multiple banking rules were broken in the process, including millions of dollars of the collateral being transferred elsewhere, much of it ending in the pockets of the chairman of BGFI's Congo branch. When auditors, executives at BGFI headquarters in Gabon, and then government investigators in Kinshasa questioned bank executives, they lied to cover their tracks.

No normal businessmen could have benefited from such largesse and obliging behaviour. But Egal's executives were highly placed. Not only did it have the state mining supremo as its chairman, but its board also included two men who were running Kabila's personal business interests. Higher up, holding ultimate decision-making power over the company were two men who have served as Kabila's trusted personal lawyers, documents obtained by Washington D.C.-based anti-corruption group The Sentry show. This raises the question of whether the lawyers – one of whom is now a Constitutional Court judge – were simply representing Kabila. Neither man has responded to PPLAAF's queries on the matter.

### ***Millions to account linked to Kabila***

Egal's ties to Kabila are evidenced in other ways too. Not least because it wired \$3 million of its collateral to a BGFI account linked to Kabila, with the transfer described in an email as being "to the Presidency". Another \$1.5 million of Egal's money was spent on converting a Scottish patrol vessel into a luxury yacht suspected of being tied to Kabila (the yacht's management company denies any such links).



Joseph Kabila, here on his private island of Mateba, is at the center of the Congo Hold-up revelations

And, in another remarkable side venture, Egal shipped hundreds of wild animals, including families of elephants, to farms Kabila was turning into private zoos.

When PPLAAF wrote to Egal with questions, it used its public Twitter feed to complain of "mafioso behaviour from another age, which is akin to terrorist practices". Then Egal wrote again, to insist it complied with all Congolese laws, but that it would not respond to our questions as long as we "misjudged in any way the Democratic Republic of Congo's sovereignty".

Egal has also pointed out that it has been cleared over the missing Central Bank funds by the national audit body, the Inspection Générale des Finances, which reports to current President Félix Tshisekedi, Kabila's successor. Neither BGFI nor the Central Bank responded to questions from Congo Hold-up.

However, Jules Alingete – the IGF chief who had exonerated Egal – told Congo Hold-up in an interview soon before going to press: "My intimate conviction is that this affair is a complex web that includes many people... Egal knew. BGFI knew." This report will examine Egal's riches, show how it is still in the frame and why, at least so far, it has got away with it.



## Chapter 1

# AN AWKWARD QUESTION

*After controversial elections in 2011, Congolese President Joseph Kabil secretly builds up a formidable business empire. Simultaneously his lawyers and business associates set up Egal, a company that would become one of the biggest players in the Congolese food market. BGFI bank backs the company with outsize loans, and its top executives lie on its behalf.*



On the morning of 29 January 2014, the head of compliance at Central Africa's largest bank asked a colleague an awkward question: she wanted to know why an obscure company was \$36 million overdrawn.

The top executives at the Kinshasa branch of the Banque Gabonaise et Française Internationale immediately set about creating a false document trail to satisfy headquarters.

Huguette Oyini was one of the most senior officials at the Gabon headquarters of BGFI bank in Libreville, so her colleagues 1,000 miles away in Kinshasa, capital of the Democratic Republic of Congo, had to provide answers fast. But the huge amount of credit extended to a company secretly controlled by Congolese President Joseph Kabila's closest aides was hard to explain: national banking rules had been broken, BGFI's own lending limits swept aside, and the loan kept secret from headquarters for months. For the most senior executives of BGFI in Congo, telling the truth wasn't an option.

### ***Egal's rise to the top of the food chain***

The company that received the loan was food importer Entreprise Générale d'Alimentation et de Logistique (Egal). The story of how it was plied with cash, allowing it to become Congo's leading food importer, begins soon after Kabila's victory in November 2011 elections.

The polls – ushering in a new term for a President already in power for a decade – had been roundly condemned as irregular, including by 39 Catholic bishops who said they were held in "a climate of fear maintained in order to facilitate ballot-stuffing". One of his chief opponents, Vital Kamerhe, challenged the results in Congo's Supreme Court but Kabila quickly prevailed, with the help of his personal lawyer, Lunda Banza Wa Seya. In his inauguration speech, Kabila said that Congolese had voted for peace and modernity: "the continuity of the magnificent project begun on my initiative and realised in concert with you".

Kabila could now also turn his mind to expanding his business empire—an array of interests that have earned him and his family hundreds of millions of dollars. Public records show that within a month of being sworn in as victor of the 2011 elections, a company he personally owns, Ferme Espoir, came to own thousands of hectares of agricultural land. Ferme Espoir would also become the owner of herds of cattle, a slaughterhouse - described in a puff piece as "the symbol of this revolution of modernity extolled by the President"- and hundreds of wild animals shipped in from Namibia (see chapter 4: "How to spend it").

Alongside his farm-to-market meat business, another network of companies was established early in his new term, closely connected to several of the President's senior aides. This network included Egal—a company that, according to BGFI loan documents, was founded in 2013 and billed itself as a "patriotic" venture. Egal promised to take on a monopoly of mainly foreign companies, by selling fish and meat "to the Congolese population at advantageous, competitive and fair prices".

Records show that Egal was ultimately controlled by the Bureau de Conseil et Consultations (BUCC), a company officially belonging to two lawyers extremely close to Kabilà. One of them was Kabilà's own lawyer from the elections dispute, Wa Seya; and the other a powerful former minister for the presidency, Norbert Nkulu. Nkulu had acted as Kabilà's legal defence after the opposition challenged the results of his first election victory in 2006. So much was Nkulu trusted that Kabilà named him to the Constitutional Court ahead of the 2018 elections, the results of which would be crucial to the President's career after leaving office.

Leaked documents from BGFI and corporate records show Nkulu as owning 90% and Wa Seya 10% of BUCC in Kinshasa. Through the chain of control illustrated below, BUCC could exercise decision-making control over Egal. BUCC controlled Texico, which in turn held the majority (65%) of Egal, allowing Kabilà's lawyers to call the shots.



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Norbert Nkulu

# EGAL OWNERSHIP

July 2013



All the significant players in the ownership chain were close to Kabila. Apart from the two lawyers, other close Kabila associates with shareholdings or management positions when Egal was established included:



- **Albert Yuma**, a man central to the Kabila administration's finances. He was chairman of Egal and of the company Texico, owner of 65% of Egal's shares. Through both a personal 10% stake, and shares he held through Texico, Yuma owned 29.5% of Egal.

Since 2010, Yuma has held the position of chairman of Gécamines – the state copper- and cobalt-miner, commodities that account for 85% of all Congo's goods exports (or about \$17 billion at current levels). Albert Yuma also wielded strong influence in the banking sector, as head of the Central Bank of Congo's audit committee.



- **Alain Wan**, a Belgian-Congolese citizen (Deputy General Manager, "in charge of technical matters").



- Belgian businessman **Marc Piedboeuf** (Deputy General Manager for business and logistics, becoming General Manager in early 2015).

Between them, Wan and Piedboeuf managed several companies owned or strongly linked to Kabila, including his Ferme Espoir and slaughterhouse, alongside other interests. A British Virgin Islands company with ownership ties to Alain Wan, African Research Maintenance and Development (Aremad), held 20% of Egal, while the duo's infrastructure company MW Afritec is intimately linked to the food company.

Piedboeuf and the Wan family did not reply to most of Congo Hold-up's questions, with their Kinshasa-based lawyer saying the information was "for the most part false". Before publishing, they launched a criminal complaint against journalists from PPLAAF, Mediapart and Belgian newspaper De Standaard, saying we had usurped the powers of the national justice system. The duo had told Le Monde in 2017 that "the existence of our group and of our companies is not dependent on, nor does it act on behalf of, Mr Kabila".

Egal's origins lie in an older food distribution company, Secom, which was first taken over by Yuma, before having its shares distributed to its new owners on 9 July 2013, whereupon it took on its new name. From there, things moved quickly for Egal.

## 'Zero'-risk loan

The company opened its main current account, held by BGFI, three days later, on 12 July 2013. Credited with just \$10,000 upon opening, by 20 August it was overdrawn by a staggering \$19.3 million. Some \$4 million of this went to Egal's Hong Kong intermediary company, to buy vehicles and other equipment, but other, more questionable, payments accounted for the rest of the spending. They served the personal interests of the business clique around President Kabilo, and a middleman fish company, partly controlled by Egal but now disowned by its partners. These payments included:

- \$1.5 million sent on 26 July 2013 to a Wan-Piedboeuf company called Port de Fisher. The funds were sent onwards to French shipbuilders transforming a steel-hulled Scottish Fisheries patrol vessel into a luxury yacht. While press reports have linked the yacht to President Kabilo, Shipping FO – the Faroe Islands company that manages it - said it is entirely owned by André Wan, son of Alain (see box: The enigma of The Enigma).
- \$11.5 million to the middleman company Samaki on 16 August 2013. A Samaki business presentation to BGFI executives said this was an "upfront payment for fish products" to a 50-50 partnership between Samaki and Namibia's politically connected United Africa Group. But the head of UAG, in an email to PPLAAF said she had never heard of Samaki, even though she herself was listed in Namibia's corporate registry as one of the original directors.

On 23 August 2013, Egal's first loan from BGFI came in, for \$27 million, more than paying off its overdraft. But the fast pace of spending continued, mostly on what look like genuine business expenses, routed through Egal's Hong Kong affiliate. Yet over half a million dollars went to Egal shareholder Aremad.

By 29 November Egal's account was overdrawn again by \$3.2 million, but within a few days BGFI lent the company more money—\$13 million this time, bringing the total lent so far to \$40 million.

The loans represented a remarkable commitment to a firm with no experience in food distribution, and which hadn't started trading yet. The fresh millions allowed Wan and Piedboeuf to set up a network of companies servicing Egal in the Faroe Islands, an archipelago 230 miles north of Scotland. The Wan-Piedboeuf company MW Afritec also bought a ship there, the El Nino, which served as the first of Egal's fleet of vessels.

### 'Money-laundering' in the Faroe Islands

The remote Faroe Islands – population 53,000 – seems an unlikely destination for Congolese President Joseph Kabilo's favourite business partners. But in 2013, as they expanded their interests, Alain Wan and Marc Piedboeuf found the archipelago had two things that suited their needs: a permissive financial regime, and an economy centred on fishing and shipping, which would become central to their new company Egal's business empire.

The location also gave the duo the added bonus of secrecy, the islands being hundreds of miles from the nearest countries: Iceland, Scotland and Norway.

Four companies were established in the Faroe Islands for the Wan-Piedboeuf network, with BGFI data showing that a total of \$19 million was sent to the most important one, All Ocean Logistics (AOL), from 2013 to 2017. These payments came mostly from Egal – owner or part-owner of AOL – for the management of ships and payment of crews, even if none of the physical trading or shipping passed through the Faroe Islands.

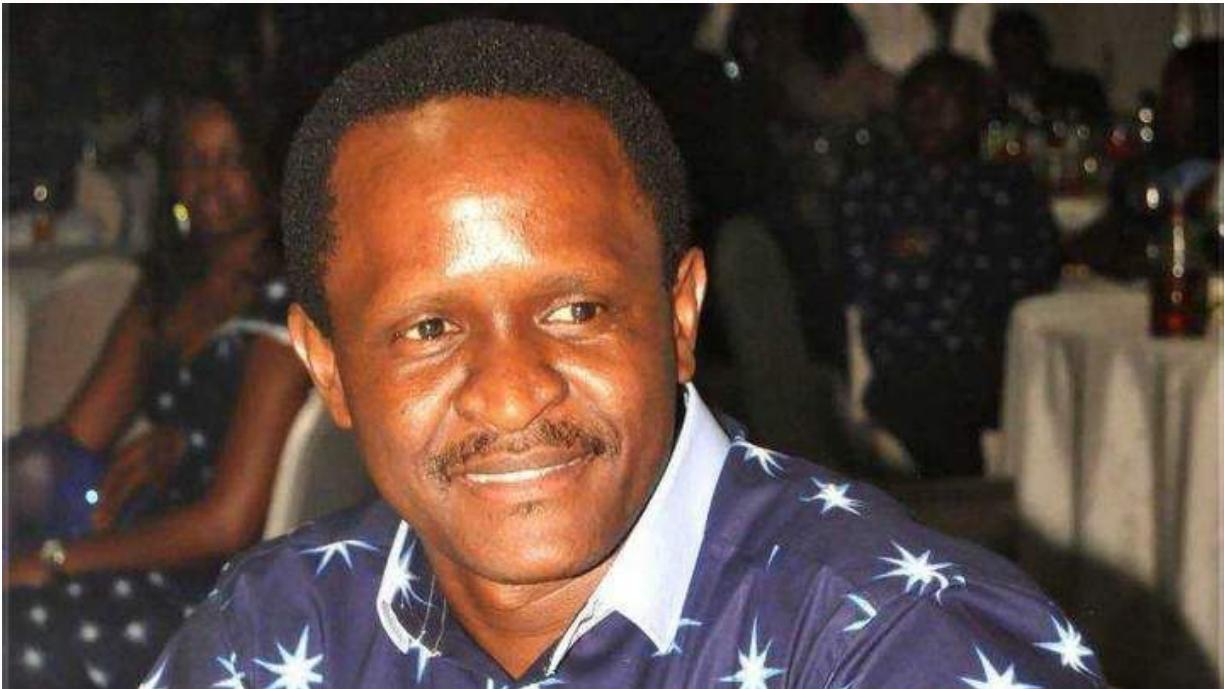
But some of the transfers were far more questionable.

A shell company that directed bribes to people and companies linked to Joseph Kabilo sent \$1.6 million to AOL in November 2016.

On top of that, a company called Port de Fisher sent \$1.67 million to AOL in 2015. Port de Fisher had no discernible business, its manager telling Congo Hold-up it was established to run a port project that never took off. Initially a Wan-Piedboeuf company, on 10 November 2015 Kabilo himself took majority control of Port de Fisher. One of its payments to AOL was made soon after that date (\$38,700 on 18 November).

Commenting on the \$19 million sent to AOL, Faroe Islands lawyer and money-laundering expert Eli Thorsteinsson, said: "It looks like money-laundering."

"If it is stolen money that gets transferred to the Faroe Islands, then of course it is money-laundering, because the money originated from a criminal act," he told [Faroe Islands national television Kringvarp Føroya](#), one of the Congo Hold-up partners.



BGFI chose Francis Selemani, adopted brother of President Kabila, as its CEO in Congo

### ***Unauthorised user***

BGFI's exposure to Egal didn't escape the attention of Oyini in the BGFI headquarters overlooking the Gabon estuary. Unusually, the bank's "Delta" computer system wouldn't let her access the account – "unauthorised user", it said – and so she emailed the Congolese branch's senior credit analyst Jean-Jacques Lumumba on 29 January 2014 and asked for details: including how the decision was taken to give the loan and the risk analysis. By this time, the loan had been repaid, leaving Egal some \$36 million overdrawn.

Oyini got her reply the next afternoon, but rather than being from Lumumba, it came from Francis Selemani, a man whose clout owed as much to his being the adopted brother of Kabila, as having been CEO of the bank since 2012. Selemani grew up alongside the Kabila family in exile in anglophone Tanzania, where he was looked after by Joseph Kabila's father, the rebel-leader and future Congolese President Laurent Désiré Kabila.

"Please find attached the response to your preoccupations, please avoid contacting any people who have left the Bank," Selemani wrote to Oyini. The email had two documents attached:

- A 26 July 2013 analytical briefing, examining a \$40 million loan request from Egal for "operating funds" and for importing essential foodstuffs. Egal promises that repayment will be made through its monthly sales revenues. The collateral would entirely cover the loan, "reducing the risk to zero".
- Minutes of a meeting of the Engagements Committee on the same day, approving the loan – a necessary step in the process. It was signed by Selemani and his top lieutenants, including his deputy Abdel Kader Diop. On the face of it, the documents provided some answers. But BGFI emails on 29 January 2014 show they were both bogus.

### **'The sensitive character of the dossier'**

Some six hours after Oyini sent her information request, emails show BGFI's most senior officials and Lumumba exchanging drafts of the analytical briefing. Lumumba sent to the senior executives a version of the briefing, marked with the date 4 December 2013. He wrote that he was sending it "for your opinion and/or amendments". If it really was an analysis note from nearly two months ago, for a loan already provided, there would have been no question of making any changes.

About 20 minutes later, the reply came from Diop, requesting amendments. Diop said that once the modifications were made, Lumumba shouldn't reply directly to Oyini, but should have the CEO Selemani send the documents "to mark the sensitive character of the dossier".

The message chain then shows Lumumba finalising the document, and Selemani sending it to Oyini in Gabon, with BGFI's international CEO, Henri-Claude Oyima copied in. Fundamental elements of the document have changed: its date is now 26 July 2013, rather than 4 December, and it also specifies that the collateral will be provided by the Congolese government.

"They asked me to falsify documents, to back-date them," Lumumba - who turned whistleblower some three years later - told PPLAAF. He said he had been summoned to Diop's office, where the instructions were given in the presence of Selemani.

"Visibly he [Selemani] gave instructions to Diop for the documents to be falsified," Lumumba added. "They asked me to make documents as if we had held a [credit] committee meeting, because the loan to Egal was strategic... It's Diop who dictated everything to me."

In replies to questions from Congo Hold-up, Diop - who left BGFI in 2018 - said "I am too much of a professional to participate in the falsification of documents," although he would not comment on whether the analytical briefing was indeed fake.

The documents were not only forgeries, they also misinformed BGFI's headquarters about the loan: no \$40 million loan was provided on 26 July 2013 or on 4 December 2013. Rather, bank records show Egal received two loans: one on 23 August that year for \$27 million, and another on 2 December 2013 for \$13 million. The 23 August loan was back-dated by nearly a month, to retrospectively cover Egal's \$19.3 million overdraft.

At the end of 2013, Egal was by far BGFI's biggest borrower, a PwC audit of the bank shows. The fishing company at that point owed 32 billion Congolese francs (\$34.9 million) to the bank, nearly three times more than the second-highest borrower, Gécamines.

## ***The Enigma of The Enigma***

Among the more extraordinary payments by Egal, were transfers used to renovate a luxury yacht in La Rochelle, southwestern France, called The Enigma XK.

A promotional video shows the former Scottish patrol ship being transformed into a vessel fit for a billionaire, the work being carried out by Atlantic Refit Centre in La Rochelle, southwestern France from July 2011. The refit involved 47 companies, mostly French, but "the window panes are German because the owner wished to have windows that could darken at the simple press of a button". The yacht boasts a gym, massage room and wooden helicopter pad.

Before a July 2017 investigation by PPLAAF, Le Monde and the Organised Crime and Corruption Reporting Project (OCCRP), nothing was known about the yacht's owners, other than that they were Congolese. SuperyachtNews reported in October 2013 that the vessel was destined for the Congo river. "Being from the Congo, the owner is especially keen to develop a yachting experience up this great river and... reach the foot of the river cataracts at Matadi," the magazine said.

That's very near the stomping ground of President Joseph Kabila - who had won his second election soon before the yacht's purchase – and his favourite business partners, Alain Wan and Marc Piedboeuf. Kabila's personal farming company bought a 100 sq km island west of Matadi - near to where the Congo river meets the Atlantic Ocean - from Wan and Piedboeuf, during the period the yacht was being renovated.

The 2017 Le Monde/OCCRP investigation said The Enigma was known among workers at the La Rochelle shipyards as "the President's yacht". But Wan and Piedboeuf told the paper that they were the sole owners of the yacht, and "the President has no link with the boat". The Congolese government also said that it was "extremely well known" that the owners were MW Afritec.

Before publication of this report, the company in the Faroe Islands now managing the yacht, Shipping FO, told PPLAAF that André Wan, son of Alain Wan, is The Enigma's "ultimate owner". "He is the person we have done all business with. Our employees have spent quite some time on board, and have neither learned of anyone else nor have the crew on board."

That still leaves some questions open, however. Such as why Egal, after opening its main operating account with BGFI in July 2013, with only \$10,000, almost immediately sent \$1.505 million to the Atlantic Refit Centre for the work on The Enigma—a far cry from the company's mission to feed Congo. It was only thanks to the \$43 million from the Central Bank that this money was eventually repaid.

BGFI records show the equivalent of \$6.6 million in total being sent to the Atlantic Refit Centre for The Enigma – about a fifth of the total €25 million (\$33 million) cost reported in *Le Monde*. This came from Port de Fisher (\$3 million) and two other Wan-Piedboeuf companies. None of them are in the superyacht business.

Port de Fisher, its director told Congo Hold-up, was set up to carry out a project at the western port of Boma that never got the go-ahead. After its payments for The Enigma, corporate documents show that Port de Fisher was bought by Kabila himself, through other corporate vehicles, also tied to Wan and Piedboeuf.



© John Grobler

President Kabila's closest business partners converted a Scottish patrol vessel into a luxury yacht fit for a billionaire

## Chapter 2

# AWKWARD ANSWERS

*The Central Bank pays a \$43 million gift into Egal's account at BGFI. It is disguised as repayment of a debt that records show is fictional. The gift is hidden from top international auditors PwC and Deloitte, but then a whistleblower opens BGFI's can of worms.*



In February 2021, Congo's new anti-corruption czar had Egal firmly in his sights. In his job for barely six months, and backed by a new President pledging to prosecute corruption, Jules Alingete accused the fishing company of fraudulently receiving \$43 million from the Central Bank of Congo.

But in March, he exonerated Egal. No proof has been provided "that this sum has ever been put at your disposition", he wrote. He put the blame for the disappearance of the Central Bank's funds solely on BGFI instead.

Alingete was right the first time around. Egal was given at least \$43 million of Central Bank funds in November 2013. Out of this, Egal sent \$6 million to an account linked to the presidency and to Sud Oil, a corrupt company controlled by BGFI's CEO that was [fed by diverted state funds and bribe money](#). Most of the rest was used to pay off Egal's mushrooming debts.

The lies told to hide the diversion of state funds amount to a cover-up: by BGFI, Egal and the Central Bank. And an unmerited exoneration by Alingete's anti-corruption body has helped Egal to dodge accountability.

### **Hidden millions**

In CEO Selemani's forged reply to BGFI headquarters, there was some truth. The analysis briefing document he sent, falsely dated 26 July 2013, said Egal's collateral would be provided by the Congolese state.

The reasoning was sketchy to say the least. According to the bogus documents, BGFI had approved the \$40 million loan before the \$43 million collateral had even arrived in the food company's account—a fact that auditors would later puzzle over. Nevertheless, the \$43 million did arrive, with bank files showing it came in four chunks on 29 November 2013.

The documents show the route the \$43 million took. \$30 million of it was first deposited by the Central Bank in an account it held at Congo's biggest private bank, Rawbank. Between August and November 2013, these funds were transferred to another Central Bank account, only just opened and lodged at BGFI. The Central Bank also bought \$13 million from BGFI in a foreign exchange swap during the same period, which was deposited in that same account. The account was labelled as being for Equipements, a French word that translates as "equipment" or "infrastructure".

But no infrastructure payments were made from this account. Between 2 August and 5 November 2013, the \$43 million came in, and on 29 November it was all paid into a "holding account" for Egal at BGFI. This means the account was specially intended for collateral – in this case guaranteeing \$40 million of loans already granted by BGFI. The collateral was not to be touched, unless it was needed to repay a loan *in extremis*.

All those concerned kept the Central Bank payments under wraps. The Central Bank published its own accounts on 23 July 2014, signed off by one of the world's top four auditors, PwC. These showed that out of a total of \$47.5 million of Central Bank funds held in private banks, 91% were kept at the BGFI. There was a fundamental error, however. The accounts said \$43 million was with the BGFI and was "immediately available". This was not the case: the entire sum had been handed to Egal eight months earlier.

Egal's annual accounts should have showed its receipt of the \$43 million, but those too – audited by Deloitte – made no mention of the funds. While the audited accounts recorded the loan from BGFI, they said nothing of any collateral being provided.

PPLAAF received no replies to questions sent to the Central Bank, PwC or Deloitte. In comments to Belgium's main francophone daily Le Soir five years ago, when similar matters were raised, Egal said its end-of-year statement listed all its debts, and asked rhetorically: "How could it be otherwise for a limited company whose accounts are certified by an international audit firm? »

In a statement just before PPLAAF went to press, Egal said it "holds no account in any bank which would have received the payment that you refer to from the Central Bank of Congo".

#### **'The realm of illegality'**

The Central Bank's cash injection into Egal would not become an issue until years later, when Jean-Jacques Lumumba, head of BGFI's credit department in Congo, tendered his resignation.

### **3. AVOIRS ET CRÉANCES EN MONNAIES ÉTRANGÈRES**

Les avoirs et les créances en monnaies étrangères se présentent comme suit :

#### **f) Disponibilités à vue en ME auprès des correspondants locaux**

Les disponibilités à vue en monnaies étrangères auprès des correspondants locaux se ventilent comme suit :

Correspondants	USD	EUR	C/V CDF
Banque Commerciale du Congo USD	2 565 037,90	-	2 374
Banque Commerciale du Congo EUR	-	547 106,35	693
Rawbank USD	1 568 448,58	-	1 451
Rawbank EUR	-	288 087,01	365
BCC RME Bgfibank USD	43 119 041,95	-	39 907
Citigroup Kinshasa USD	195 703,30	-	181
	<b>47 448 231,73</b>	<b>835 193,36</b>	<b>44 971</b>

The Central Bank's accounts, audited by PwC, said it had \$43 million 'immediately available' at BGFI –but it had already been given to Egal

Didier Reynders fait l'éloge de Paul Magnette et accable le CDH

**L**a crise de ces derniers jours est clôturée. Vendredi soir tard, l'Union européenne a donné son feu vert au Ceta. Le sommet entre l'UE et le Canada se tiendra dimanche, a annoncé Donald Tusk, président du Conseil européen. Didier Reynders, ministre des Affaires étrangères, revient pour *Le Soir* sur ces péripeties et les longues négociations belges.

Le libéral fait l'éloge de ministre-président wallon, devenu le symbole de l'opposition au traité commercial : « Ce qu'on a réussi à construire avec Paul Magnette, c'est une vraie discussion pour avoir un message au nom de la Belgique, et de toutes ses composantes ». Le discours à l'égard du CDH est moins amène. Reynders revient sur les accusations de « délinquance politique » lancées par Benoît Lutgen à l'égard de la Commission européenne : « Qu'il précise qui a dit quoi ! Et qu'en puisse poursuivre ces gens, politiquement et juridiquement. Mais non, évidemment, il ne dit rien. ■

► P. 6 à 9 NOTRE ENTRETIEN

## La corruption du régime Kabilia vue de l'intérieur

**Jean-Jacques Lumumba**, ex-employé d'une banque proche de la famille Kabilia, dénonce des pratiques de corruption dans l'entourage du président. Il a confié au « Soir » de nombreux documents compromettants.

**L**a perspective d'un report des élections inquiète et révèle beaucoup de jeunes Congolais. Dès la fin décembre, les manifestations risquent de se multiplier. À l'intérieur du système aussi, de jeunes diplômés sont témoins d'irrégularités, en particulier au sein de la Commission électorale indépendante (Ceni) qui assure ne pas avoir les moyens d'organiser en temps voulu les élections promises.

Jean-Jacques Lumumba, chef du département des engagements à la BGFI, une banque de Kinshasa proche de la famille Kabilia, au lieu de couvrir des opérations douces, a préféré claquer la porte. Il s'est présenté à la rédaction du *Soir* chargé de lourds

dossiers, impliquant la banque BGFI, dont le directeur n'est autre qu'un ami d'enfance du chef de l'État.

Il nous a confié des documents compromettants pour la Banque nationale du Congo, pour une société d'importation de produits alimentaires dirigée elle aussi par un proche du président Kabilia. Et surtout, il nous a donné les preuves d'opérations douces au détriment de la Commission électorale indépendante. Cette dernière a obtenu un crédit de 25 millions de dollars auprès de la BGFI Bank alors qu'elle disposait de plus de 55 millions sur un compte parallèle.

Sur le crédit de 25 millions, la BGFI a prélevé en cinq mois près de trois millions de

dollars d'intérêts et commissions diverses.

De plus, le chef des engagements de BGFI nous a confié des extraits de compte illustrant de multiples retraits doux, allant parfois jusqu'à 1,5 million de dollars. Des chèques non justifiés qui se succèdent à un rythme infernal.

Où va cet argent ? « Il s'agit de détournement de fonds publics », selon Lumumba. Le résultat est clair : tout ceci conduit à un appauvrissement de la Ceni... qui invoque pourtant le manque de moyens pour ne pas organiser les scrutins prévus. ■



► P. 2 à 4 NOS INFORMATIONS

In 2016, Jean-Jacques Lumumba quit BGFI and publicly accused it of corruption in the Belgian press

On 13 October 2016, Lumumba wrote to Selemani and his deputy, Diop, accusing them of "base tactics".

"Wishing to preserve my health, my integrity, my security and especially my professionalism... I am handing in my resignation from BGFI Bank RDC SA today," the letter read.

Lumumba's resignation letter focused on a dispute with Selemani over a \$25 million loan to the national electoral commission. The loan had been granted purely on Selemani's verbal instruction, he said, with the necessary paperwork having been completed only after the money had been disbursed—behaviour that BGFI documents show also applied to the Egal loans.

Selemani and Diop shot back at Lumumba in a formal note, accusing him of "a lack of rigour and not respecting procedures", and laying the blame on him for huge loans being granted without approval from Gabon headquarters.

Just over a fortnight later, the argument exploded into the pages of the press.

"The corruption of the Kabilia regime seen from the inside," headlined the week-end edition of Belgium's main francophone daily, *Le Soir*. Lumumba, the paper said, "came to the news desk loaded with heavy files" detailing alleged malpractice at BGFI. A double-page spread within the paper featured the allegations on Egal, quoting Lumumba saying: "It's a company linked to the head of state, with [Egal chairman] Albert Yuma as a front." *Le Soir* revealed the Central Bank's \$43 million payment, commenting: "We're in the realm of illegality".

*Le Soir* also reported allegations that BGFI was pumping funds out of the electoral commission, which at the very same time was pleading poverty as a reason for delaying presidential elections due by the end of the year. This allowed Kabilia to prolong his presidency beyond the November 2016 end of his official term, despite protests in which dozens were killed by security forces.

## ***Denials all round***

Lumumba's public allegations against Egal met with adamant denials from all sides. The Central Bank even denied making payments to Egal at all. "The BCC [Banque Centrale du Congo] has never made any such transfer of funds to the food company Egal: and the BCC does not deal with private companies," it said.

BGFI acknowledged having made loans to Egal, but said these were guaranteed by "receipts generated from its activities", rather than by any Central Bank money. "The accusations according to which the Central Bank of Congo financed this activity, through transfers via BGFI Bank RDC are thus false and without foundation," it said.

Within the bank, though, international compliance chief Huguette Oyini and PwC – auditor of BGFI's annual accounts, as well as the Central Bank's – took some convincing that all was as it should be.

BGFI's relationship with Egal featured prominently in PwC's provisional audit of the bank, dated 25 November 2016. BGFI's Kinshasa branch had been breaking the rules by not going to headquarters for approval of loans over \$3 million, and PwC had not been able to obtain the physical loan file for Egal—documents that should be made systematically available to auditors.

## ***BGFI investigates itself***

The pressure on Selemani and his colleagues to explain BGFI's relationship with Egal and other questionable clients grew as more revelations emerged of the bank's shady practices.

In July 2017, PPLAAF published [the "Lumumba Papers"](#), bringing more information to light about BGFI's loans to Egal, as well as extraordinary connections between the company and Kabilia. One of its ships was used to transport hundreds of animals to Kabilia's private farms, to turn them into private zoos (see chapter 4), while Egal executives Wan and Piedboeuf financed [a luxurious yacht said to belong to Kabilia himself](#), PPLAAF and media groups reported.

Then in October 2017, investigative and campaigning group The Sentry published a report showing another aspect of BGFI's dark side: [how it had helped move funds for the Congo Futur group](#), despite it being under US sanctions for alleged links to Lebanon-based terrorist group Hezbollah. The Sentry called on US sanctions authorities to investigate BGFI's involvement in possible sanctions violations.

Selemani commissioned a US lawyer to forestall any possible imposition of US sanctions on himself and BGFI, the leaked documents show. The US lawyer coordinated work by a veteran corporate intelligence figure in London, and an internal audit by UK-Dutch accountancy firm KPMG, which included addressing the allegations that Egal illegally received Central Bank funds.

KPMG Advisory Services' 29 January 2018 engagement letter clearly recognises that it was being hired with the aim of defending BGFI, but simultaneously states that its investigation would be independent.

"BGFI Bank RDC desires to conduct an independent investigation to support its defence to the US Treasury and/or US Department of Justice by engaging KPMG," said the letter. KPMG would act under the direction of the US lawyer taking instructions from BGFI, "with a view to ascertaining the veracity or otherwise of the allegations." KPMG did not respond to questions from PPLAAF, asking whether such arrangements posed a risk to its independence. Asked about his supervision of KPMG's work, the US lawyer told Congo Hold-up he is "barred from responding to this question by the attorney-client privilege".

The self-investigation did not go as smoothly as Selemani might have hoped. KPMG asked increasingly awkward questions about the Central Bank funds and the BGFI loans to Egal. In the course of KPMG's investigation, BGFI presented two documents to explain why the Central Bank had sent money to Egal.

### **Bogus agreements**

A first agreement, dated 28 May 2013, between MW Afritec and Egal – going under a previous name for the company, Secom – states that the finance ministry had authorised payment of a \$64 million debt to MW Afritec. The documents relating to the debt would be lodged with BGFI and serve as a guarantee for a \$40 million loan to Secom/Egal, "necessary for its reform and its integration into the food distribution sector". The actual funds

would be transferred to BGFI once paid by the state, according to the agreement.

Secom/Egal's shares were pledged to MW Afritec as a guarantee, in return for providing the collateral.

Egal's promise to repay the collateral was the subject of the second contract, dated 31 July 2013.

But each document presented problems. The first challenges common-sense: how could documents certifying the money owed by the Congolese state, particularly given its uncertain history of meeting domestic debt repayments, be sufficient to guarantee \$40 million in loans? Surely the bank would have wanted the money to actually arrive before loaning such a vast sum.

The second document misstated the amount of collateral eventually transferred by the Central Bank, giving it as \$40 million rather than \$43 million.

The parties concerned – Egal and MW Afritec – were extremely closely related, both being under the effective day-to-day control of Wan and Piedboeuf. This closeness may help explain the contractual lapses, but it was, at the very least, extraordinary sloppy documentation for BGFI to rely on, particularly as the loans were so high that they broke national banking regulations. The Central Bank's rules state that no bank can lend more than 25% of its equity capital – the cash put in by the bank's shareholders – to any one client. At the time, BGFI's Congo branch had just \$23 million of equity capital, meaning it had overshot the banking rules by a factor of 7.

As BGFI renewed and then progressively increased its loans, the approval documents skirted over the issue by simply putting XXXs where numbers should be. The pertinent section simply read:

"The risks undertaken (net of collateral) to the same beneficiary must be inferior or equal to 25% of equity capital, that is USD xxxxxxxxxxxx for an equity capital of USD xxxx", each of the successive approval documents read, adding that the approved loan would cover "XXX% of equity capital".

### **Congo's new President and his anti-corruption czar**

The initial denials from BGFI, the Central Bank and Egal came during Kabila's presidency. Elections were finally held in December 2018, in which Kabila did not stand. The national electoral commission announced the victor as Félix Tshisekedi, son of the late opposition stalwart Etienne Tshisekedi, who had been a permanent fixture in Congolese politics since the 1960s.

Tshisekedi was not the real victor though. That was Martin Fayulu, a former businessman who had won admiration for his integrity and grassroots campaigning. However, Kabila saw Tshisekedi as the least-worst option, and after an electoral fix the two formed a political coalition. Although Tshisekedi got the presidency, Kabila allies controlled the Senate, the army and the most important national companies, including state copper and cobalt miner Gécamines—the lifeblood of Congo's economy.

Upon his victory Tshisekedi said his supporters should no longer see Kabila "as an adversary, but rather, a partner in democratic change in our country." Yet gradually, the new President has been extricating himself from his predecessor's grip. That has involved not just political manoeuvring, but also challenging Kabila's financial interests.



Jean-Jacques Lumumba was the first to raise the alarm over BGFI in Congo, in 2016

### **Egal's uncustomary fish business**

During Kabilas administration, Egal was an *enfant chéri*, pampered with cash gifts from the Central Bank and huge loans from BGFI. But it still had to contend with hostility from customs officials who believed Egal was breaking the terms of extremely generous customs exonerations.

According to customs documents and an Egal annual report seen by PPLAAF, a January 2014 measure exempted Egal from paying customs duties on fish imports on specific conditions: it had to be the one catching the fish, and they had to originate from Congolese or Namibian waters.

From June 2014, Congolese customs began demanding huge fines from Egal for allegedly not complying with its special privileges. They said the fish was bought frozen, not fresh, and that Egal did not do the catching—rather, it was bought from a supplier, Samaki. While it is true that Samaki was at least part-owned by Egal, the company was actually just an intermediary, buying fish from other suppliers.

On 4 September 2014, customs authorities demanded Egal pay a \$20 million penalty. They upped it to \$37.4 million the following February.

Egal didn't pay, and the arguments with customs have been rumbling ever since, becoming more embittered after Félix Tshisekedi took over from Joseph Kabilas President in January 2019.

Egal has said that it is “the only company in the sector of production and importation of frozen food that declares its tariffs, customs, taxes and levies in a regular, fair and sincere manner”. Making a greater show of its virtue, it then wrote to government authorities, denouncing other food companies for customs fraud, and offering to be an “informer”. In a letter to the national economy minister, Egal said it wished to stop such practices, “for the well-being of visibly impoverished consumers as well as that of the public Treasury, to this day heavily bled by falsely declared values of imported products”.

The government has been sceptical of Egal's civic virtue. In July 2021, Acacia Bandubola, who had just left her post as economy minister, said the firm “has not been exemplary... as evidenced by the numerous exonerations it has unfairly benefited from and which have deprived the public treasury of substantial resources”. Now the Tshisekedi administration is trying to end Egal's customs exonerations through the courts—a ruling in the government's favour was recently overturned on appeal.

Another front on which the authorities and Egal are fighting is food prices, including over Egal's core product, horse mackerel. Egal is the outlier—the only importer refusing to accept proposed official price ranges, and saying others only agreed because they have built up financial cushions by defrauding customs. When it comes to its important fish business, Egal's position is that it doesn't have to pay customs duties at all—and that is the most controversial issue.

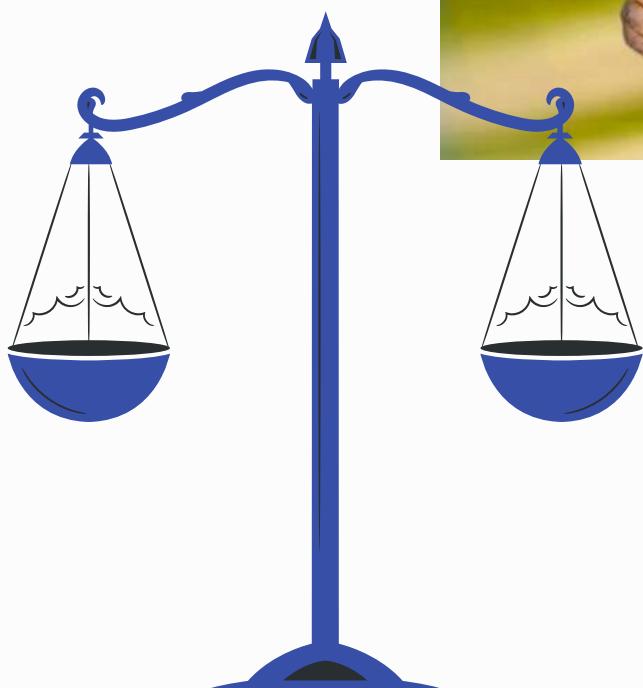
## Chapter 3

# THE ANTI-FRAUD SQUAD INVESTIGATES

Congo's anti-corruption chief exonerates Egal and the state authorities, pinning all the blame on BGFI. The bank has now confessed, he says, and has promised to repay the missing \$43 million. But documents in the Congo Hold-up leak show Egal, the finance ministry and the Central Bank were all deeply involved.



Jules Alingete



The Inspection Générale des Finances – the national audit body - opened its investigation into Egal and the disappearing \$43 million in January 2021. Its investigative team presented their initial findings in a 21 April 2021 report sent to IGF chief Alingete, and seen by PPLAAF and Congo Hold-up. The IGF investigators found that yes, \$43 million was “diverted” from the Central Bank, and that this was done on the basis of a credit to MW Afritec that was entirely fictional.

“There was a diversion of these public funds from the Central Bank of Congo through a holding account opened in the name of Egal in BGFIBank,” said the report. “The funds so diverted, were done so on the pretext of paying a debt that the Congolese state supposedly owed to the company MW Afritec.”

The investigators presented documentation from the finance ministry and the General Directorate of Public Debt on state debts to MW Afritec. It found that MW Afritec had only two claims of payment on the state in the relevant period, “representing barely 1% of the amount” paid to Egal. And even these claims were “rejected because of the absence of an underlying basis justifying their veracity”.

In conclusion, the team said, “there was never such a credit. It just served as an alibi for the diversion of funds.”

Upon his victory Tshisekedi said his supporters should no longer see Kabila “as an adversary, but rather, a partner in democratic change in our country.” Yet gradually, the new President has been extricating himself from his predecessor’s grip. That has involved not just political manoeuvring, but also challenging Kabila’s financial interests.

## Investigator gives Egal benefit of the doubt

But, faced with smoke and mirrors from those involved in the saga of the missing \$43 million, Alingete ended up officially absolving Egal. In an interview with Congo Hold-up he said he also forced an admission – and a promise of repayment – from BGFI.

Alingete said he held a joint meeting with Egal, BGFI and others – including the presidential office - in March. Egal General Manager Tshibangu claimed BGFI had kept the account a secret from Egal until March 2018, he said, and BGFI could not prove otherwise.

According to Tshibangu's version of events – as relayed by Alingete – when BGFI finally revealed the account's existence to Egal in early 2018, it allegedly told Tshibangu that all the funds had come from Egal's sales revenues, rather than from the Central Bank.

"Tshibangu said... 'as you've informed me that I have money with you, I ask you to transfer it to another account', which has not been done to this day," recounted Alingete. "They [BGFI] never carried out Tshibangu's instructions."

It was on the basis of Tshibangu's account that Alingete decided to pin the blame entirely on BGFI.

Alingete wrote a letter to Egal, reproduced in its entirety on the Congolese news website politico.cd. The subject line was: "Your exoneration in the matter relating to the accusation of public financing".

"No proof has been provided by BGFI Bank evidencing that this sum [the \$43 million] has ever been put at your disposal," it said. Instead, wrote Alingete, the onus was on the BGFI to explain, given that the money passed through accounts opened "on the initiative" of the bank. In a further letter, on 5 April, Alingete wrote to the BGFI there is "no way the company Egal" could have moved the money, and that only BGFI could have been responsible.

## CONVENTION DE NANTISSEMENT ET DE CESSION DE CRÉANCE

Entre :

- La Société MW AFRITBC spri, société de droit Congolais, enregistré sous NRC 10.083 Kin ayant son siège social au n°4, route de Poids Jourda, dans la commune de la Gombe, représenté par Monsieur Alain WAN, son Gérant ;

Et

- La société SECOM spri, société de droit congolais , enregistré sous RC 468 Boma ayant son siège social au n°6, avenue Mobutu, Centre Ville, dans la Province du Kongo centrale, représenté par Monsieur ..... son Gérant ;

### **PREAMBULE**

- Attendu que la Société MW AFRITBC spri, société de Génie civil, adjudicataires de plusieurs marchés de travaux publics, possède des créances à recouvrer auprès du gouvernement Congolais par le biais du Ministère de finance à hauteur de 64.385.487,28\$US dont le paiement effectif n'a pas suivi;

BGFI officials presented this contract to claim that the Central Bank's \$43 million was to repay a debt – but the evidence shows it is bogus

## BGFI ‘confesses’

Finally, Alingete told Congo Hold-up, BGFI recognised its responsibility for the missing \$43 million of public money.

“BGFIBank recognised the fact, certainly to protect people implicated,” he said. “It committed to repay the \$43 million to the Congolese state.”

But the leaked documents show that Tshibangu’s explanations to Alingete were false.

In a 23 March 2018 letter to BGFI, Tshibangu and Egal’s finance director asked the bank to debit \$30 million from the holding account to pay off Egal’s outstanding debts. The banking documents show that the money was transferred to various Egal accounts that had acquired the debts, as well as \$2.6 million going to MW Afritec.

The fact that Egal could use the collateral to pay off its debts and wire money to a sister company, demonstrates that it must have controlled the holding account.

Alingete – who did not have access to the range of material seen by Congo Hold-up – knows that much was being hidden from him.

“You know these people play deceptive games. You should know that BGFI, Egal, Yuma – they’re all the same people. They’re not opposed to each other, but form strategies to give the impression they’re opposed,” Alingete said.

“They took the money, that group: BGFI, Egal,” he said, going back on his formal exoneration of Egal. “What they did with it is not my problem... The fact that, within the group, they recognise having taken state money and that they’ve committed to reimburse it, for me the aim has been reached.” Alingete said “the BGFI is a mafia bank” and that “what has happened is unacceptable”.

In September the IGF wrote a letter to the Central Bank recommending that it move its remaining funds lodged at BGFI – put at some \$33 million – to another bank. On 25 October, however, lawyers for BGFI, wrote a letter to the Central Bank that while they were committed to “returning the assets”, a case launched by state prosecutors prohibited them from touching the institution’s account. BGFI suggested a gradual repayment plan might be a solution. According to Alingete, BGFI has argued that it would collapse if forced to repay the whole amount in one go.

## **‘Everybody knew’**

The IGF did not exonerate only Egal—it also said it could not find proof of the finance ministry’s involvement, and decided that the Central Bank was indeed ignorant of the diversion of the \$43 million.

But among the cache of BGFI documents is a 10 June 2013 signed letter from then-finance minister Patrice Kitebi, in which he tells MW Afritec the ministry will make a “partial payment of the sum of \$43 million in favour of your company”. A copy of the letter was emailed to Selemani and Diop by a bank colleague in 2018, as pressure was mounting from auditors to explain the Egal transactions.

République Démocratique du Congo

Kinshasa, le 11.06.2013



Ministère des Finances

Le Ministre

N° CAB/MIN/FINANCES/2013/81 (58)

A Monsieur le Gérant Statutaire de  
MW AFRITEC S.A.R.L.  
4, avenue des Poids Lourds

A Kinshasa/Linete

Concerne: Rappel de votre créance sur le Gouvernement.

Monsieur le Gérant Statutaire,

Au regard de la situation de trésorerie de l'Etat, je vous informe que j'ai instruit le paiement partiel de la somme de USD 43.000.000,00 (Dollars américains quarante-trois millions) en faveur de votre société décaissable sous les échéances suivantes :

- 19 juillet 2013 : USD 13.000.000,00 (treize millions de dollars américains)
- 05 août 2013 : USD 10.000.000,00 (dix millions de dollars américains)
- 09 août 2013 : USD 5.000.000,00 (cinq millions de dollars américains)
- 05 septembre 2013 : USD 15.000.000,00 (quinze millions de dollars américains)

Le solde de cet engagement sera l'objet d'un nouvel échéancier que je vous communiquerai dans un délai proche.

Veuillez agréer, Monsieur le Gérant Statutaire,  
l'expression de ma considération distinguée.

Patrice KITEBI

Ministre Délegué

Congo's former minister denies having sent instructions to pay Kabila's business partners \$43 million, as in this letter from the BGFI leak

BANQUE CENTRALE DU CONGO

Kinshasa, le 23 Nov. 2013

Réf. : D23041204202/n 002824

BGFBANK

Kinshasa/Gombe

Messieurs

Concerne : Paiement en faveur de EGAL S.A

Par le débit de notre compte 26100-70010285011-72 USD ouvert en vos livres, nous vous demandons de créditer le compte : 26100-40010276015-94 USD d'EGAL de 14,999,888,70 USD (Dollars américains quatorze millions neuf cent nonante neuf mille huit cent quatre-vingt-huit, centimes septante) d'ordre du Trésor, en paiement partiel de la créance n°MW/834/PMT/IMF/2013.

Veuillez agréer, Messieurs, l'assurance de notre considération distinguée

BANQUE CENTRALE DU CONGO  
Direction des Opérations Bancaires et des MarchésMBOMA NDONGO  
Directeur Adjoint

The Central Bank denies ever having ordered payments to Egal, but such instructions show up in the leaked documents

Congolese Magazine Le Soft International has reported that Kitebi also sent a letter to the Central Bank, ordering the transfer. But the minister “denied having sent the letter requesting payment of the Afritec debt from the public treasury,” Alingete said, adding that “the Inspection Générale des Finances has not been able to establish the authenticity of the said letter” in the finance ministry’s archives.

In letters to the Central Bank in September this year, Alingete said the money had been sent to Egal on BGFI’s “own initiative and without the knowledge of the monetary authority”. But among the documents in the leak are instructions from the Central Bank to BGFI dated 29 November, ordering BGFI to transfer the money to Egal. Like the finance ministry letter, copies of these instructions were emailed between senior BGFI officials as auditors were examining the Egal transactions.

Alingete said he had not seen these documents. Yet, on a basic level, the Central Bank has not explained how it failed to clock that its balance had suddenly plunged by tens of millions of dollars.

Congo Hold-up wrote to Congo’s finance ministry and the Central Bank for comment ahead of publication, but received no reply.

Again, despite the official exonerations, Alingete told Congo Hold-up that he still held strong suspicions: “My intimate conviction is that this affair is a complex web that includes many people. The governor of the Central Bank knew. The ministry of finance knew. Egal knew. BGFI knew.”

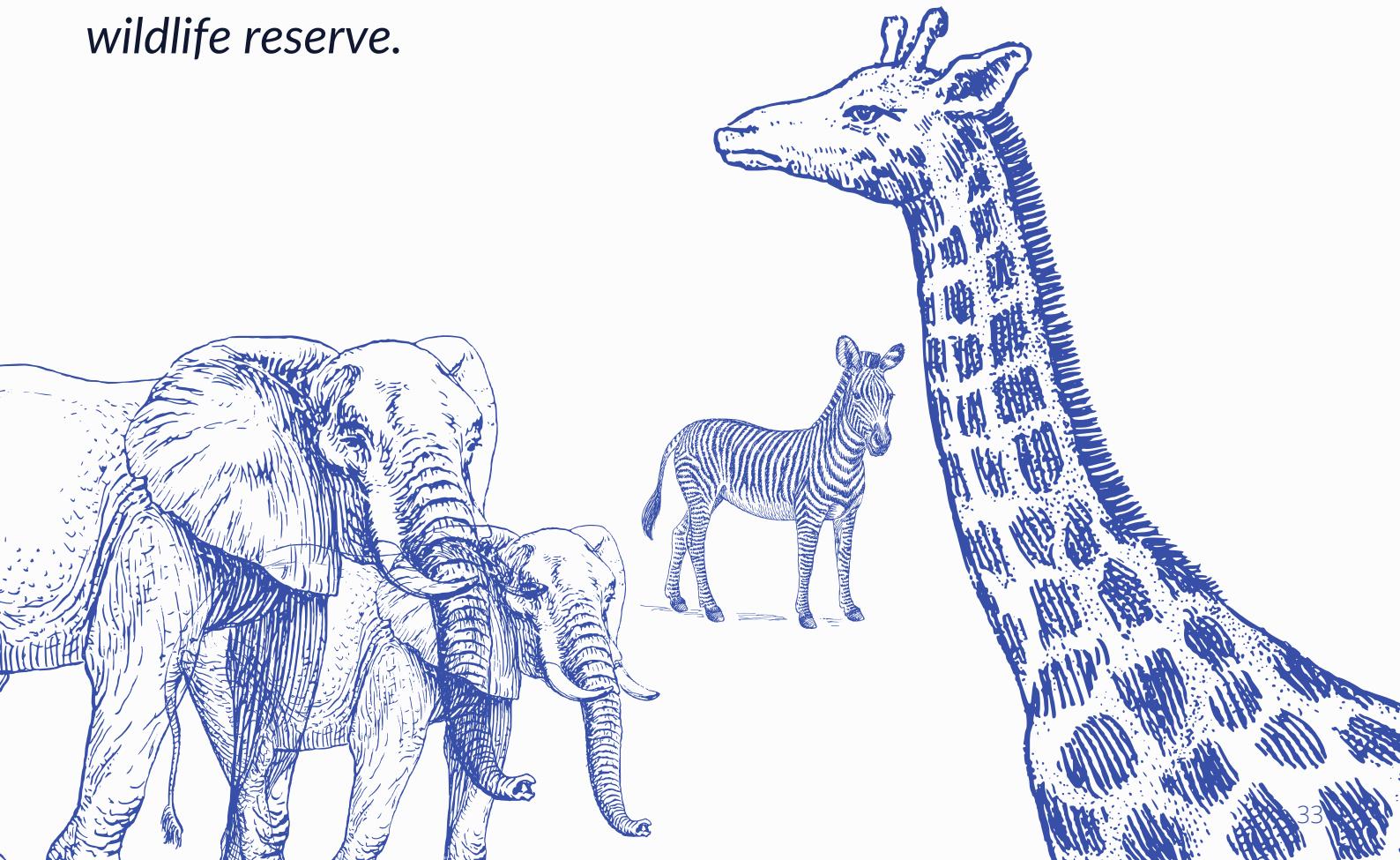
## Chapter 4

# HOW TO SPEND IT

*The Central Bank's largesse helps Egal to ship hundreds of wild animals – including giraffes and a family of elephants – to the President's private wildlife reserves...*

*And to send \$3 million to a corrupt company run by BGFI's top executives on the side. BGFI's own chairman withdraws the entire sum in cash.*

*After a long journey up the mighty Congo river, the family of elephants had arrived at President Kabila's private wildlife reserve.*





President Kabila shipped hundreds of wild animals to his vast private landholdings

"What an amazing sight it was to see the elephants come out of the crates, take a bath and taste in their first free meal!" wrote Wildlife Vets Namibia, tasked with their transportation in 2017. It was a logistical feat, involving drugging the pachyderms unconscious, shipping them in special elephant containers and driving them with an armed escort through the streets of the bustling city of Kinshasa.

The Congolese company Egal was a core part of the operation, its 3,000-tonne container ship El Nino taking a break from importing Namibian horse mackerel, to serve as a latter-day Noah's Ark, helping to turn the President's vast farmlands into South African-style safari parks. Over the years they would be joined by white rhinos, lions and giraffes.

Not all would survive, however. Of the six members of the elephant family brought over in 2017, two died – a young heifer and an elephant cow – while approaching western Congo. "We cannot say how devastated we were," wrote the vets, in an account of the journey posted online. "So close to offloading and then losing two animals was not how we imagined ending this trip." It was not the only time such misfortunes struck Kabila's new animal neighbours. Of 16 giraffes brought over from Namibia that same year, all but four died within a year.

Egal has not publicised its role in this venture—not only because it was trying to keep its close links to the President hidden, but also because it could barely afford this expensive sideline. Officially, Egal's only business was importing food, and this was failing to bring in enough profit to pay its loans off.

It was in July 2017 that [PPLAAF](#), alongside [Le Monde](#) and [the Organised Crime and Corruption Reporting Project](#) (OCCRP), first revealed Egal's role in shipping animals to Kabila's landholdings, grouped together under the company Ferme Espoir. The shipments have continued since then. In May 2019, the Namibian Ports Authority said the same Egal vessel transported another four elephant calves and their parents to Ferme Espoir, and that it was due to bring over more elephants the following month.

Egal's executives and owners were not just involved in organising the importation of the animals, but also dealt with logistics on the Namibian side. A Namibian company called Honesta Investments 32 cc was among those named by the ports authority as being involved in the transport of the elephants. Namibian corporate registry documents show that Honesta is two-thirds owned by Egal's finance director and its current General Manager, Franck Tshibangu.

Andre Wan, son of Alain Wan and a key official and manager in his network of companies, told PPLAAF by WhatsApp that Honesta is Egal's "logistics intermediary in Namibia". It works with all the companies, beyond just Egal he said, adding: "You have to understand that most of the people in our group know each other for more than 30 years and if we can use our facilities and contacts to help people close to us, we do so."

### **Collateral damage**

None of Egal's services to the President could have been provided without the \$43 million from the Central Bank on 29 November 2013. These funds were lodged in a "holding account", where they served as collateral for tens of millions of dollars of loans from BGFI. But although the collateral should have sat there untouched, several million dollars were paid out to interests closely tied to President Kabila's family and BGFI's top executives in Congo.

Barely a month after the Central Bank funds arrived in the holding account, Egal wired \$3 million from there to a BGFI account linked to Kabila. An email written the same day by the bank's director of operations confirms that it was indeed the execution of a 'transfer request [...] from Egal to the Presidency'.

Then, on 3 October 2014, Egal paid an additional \$3 million from the same holding account to Sud Oil, a company 80% owned by Selemani's wife Aneth Lutale, and 20% by Kabila's sister Gloria Mteyu. Its CEO, David Ezekiel, took orders directly from Selemani, as described in a recent Mediapart article.

Sud Oil had no discernible operations at its headquarters in a garage in central Kinshasa, The Sentry has reported. The company's main activity was really hoovering up tens of millions of dollars from Congo's most important institutions, including: \$50 million from the Central Bank ; \$20 million from the state-owned mining company Gécamines; and even \$6.8 million of United Nations funds earmarked for Congolese peacekeepers in the Central African Republic. In all – together with funds from the national electoral commission, parliament and other institutions – Sud Oil and its network of companies received \$92 million of funds diverted from the state.

Most of Sud Oil's purloined funds were simply withdrawn in cash, including just under \$53 million by Ezekiel alone.

The \$3 million that Egal provided to Sud Oil was immediately transferred to one of the companies in the network: Kwanza Capital, a company part-owned by Sud Oil and dominated by senior BGFI figures.

Kwanza was busy at the time in ultimately unsuccessful attempts to expand Selemani and co.'s power in the banking sector, by attempting [to buy up rival banks](#) with the aid of pressure from the Congolese state. Its accounts show hundreds of thousands of dollars going to lawyers in Kinshasa and Paris to help them. The trail of Egal's \$3 million payment, however, leads to the chairman of BGFI's Congo branch, Pascal Kinduelo, a co-founder of both Sud Oil and Kwanza.

Kwanza's account had a balance of less than \$500,000 before it received the \$3 million from Sud Oil. The very same day the Sud Oil payment arrived, Kinduelo withdrew \$3,017,402.32 from the account. In this way, the Central Bank's money served not just the financial interests of President Kabila's business circle within Egal, but also those of BGFI executives.

Congo Hold-up sent questions on the \$3 million transfer and the cash withdrawal to BGFI and Selemani but received no replies. Kinduelo said he is not implicated in the Congo Hold-up investigation as he left BGFI three years ago. Abdel Kader Diop – BGFI's deputy director at the time, also sitting on Kwanza's board – said he had no information on the \$3 million transfer from Egal. Soon before PPLAAF went to press, Egal issued a public statement denying that it had paid \$3 million to Sud Oil. "Egal Sarl wishes to state that it does not hold any account in any bank that made a payment in favour of Sud Oil, let alone has it received money from the Central Bank of Congo," said the company.



Giraffes and white rhinos feature in Kabila's menagerie



## *Chapter 5*

# THE \$34.6 MILLION QUESTION



Egal receives tens of millions more in mysterious funds, which passed through an account at the Central Bank—and Congo Hold-up documents show the funds are linked to a wider system of state-looting. Egal provides no answers, but the questions mount.

Matters reached a crisis for Egal in August 2016. Its main operating account was \$6 million overdrawn, and payments on the \$54 million of BGFI loans outstanding were nearly \$3 million in arrears. Fearful of the damage an Egal default could do to the bank, BGFI froze the company's accounts.

Egal executive Marc Piedboeuf emailed a strong complaint to BGFI CEO Selemani on 13 August 2016, and hinted at his company's political importance, at a time when protests were rising against Kabilas plans to stay in power.

"In the social and political context, Egal has a mission that you know well and which has all the more importance in the period that we are going through now," he wrote. "To fulfil to the degree possible the mission assigned to us, we need the support and aid of everybody, particularly from the banker."

"I do not master everything, far from it," he added, saying that a meeting should be held with "ALL the parties concerned... by the creation, the functioning and the existence of Egal." The use of block capitals was his own, seeming to hint at people that Piedboeuf could not name in the email.

The following month, \$30 million was wired to Egal's holding account from a mysterious source, allowing Egal to pay off a chunk of its debt later that year, and get new loans. Thanks to a providential hand, the crisis was averted.

### **Mysterious payments**

But this was only one of several such mysterious transfers. In all \$34.59 million was wired to the company's accounts from unknown entities and for unknown reasons. Without this money, Egal could never have paid off its debts to BGFI.

From highest to lowest, the transfers were:

- \$30 million on 29 September 2016
- \$4 million on 24 June 2014
- \$340,330 on 14 May 2014
- \$250,000 on 16 May 2014

While the bank documents do not state the origin of the money, there are indications it could all have come from the Central Bank.

The \$4 million came from an unspecified Rawbank account. It was the first payment received after the initial \$43 million, three-quarters of which were paid in by a Central Bank account held at Rawbank.

Before being transferred to Egal, all the funds passed through an account the BGFI holds at the Central Bank—an account that the latter would have had full oversight of.

Bar the \$340,330 payment, all the above payments were paid into the Egal holding account—set up specifically to receive the \$43 million of Central Bank funds in November 2013.

## **Mystery payments tied to wider suspicious transfers**

The transfers are all the more suspicious as they were closely connected to other payments to BGFI executives' private interests.

PPLAAF has been able to trace the \$30 million payment back to a 1 September 2016 wire of the equivalent of \$32.2 million into BGFI's account at the Central Bank. While \$30 million of this was sent to Egal, bank records show that the remainder (\$2.2m) was sent to Sud Oil, the company hoovering up tens of millions of dollars from Congolese state institutions and projects.

Selemani's front-man David Ezekiel (Sud Oil's official CEO) withdrew the entire amount to the penny in cash the same day.

Similarly, the payments on 14 and 16 May 2014 to Egal - total: \$590,330 - can both be traced back to a larger payment into BGFI's account at the Central Bank, again from a mysterious source. Several payments were made from this lump sum. As well as the \$590,000 to Egal, two other suspicious payments were made:

- \$1.88 million to Texico, the textiles company that majority-owned Egal
- And \$2.78 million to Sud Oil.

Unlike the \$43 million known payments from the Central Bank, none of these transfers have received any public scrutiny. But by tracing back the transfers to Egal, it can be seen how the company was part of a wider system of state-looting. According to Congo Hold-up's calculations, at least \$138 million of state money was diverted to interests linked to Kabila and his associates from 2013 to 2018, with the complicity of BGFI.

### **Egal's silence**

On 15 October 2021, PPLAAF emailed 31 questions to Egal. We were looking for comment on whether Egal was secretly controlled by Kabila, allowing it to gain valuable customs exonerations and to become a major food importer in Congo. And whether it received the \$43 million of funds diverted from the Central Bank under fraudulent pretences, and perhaps \$34.6 million more.

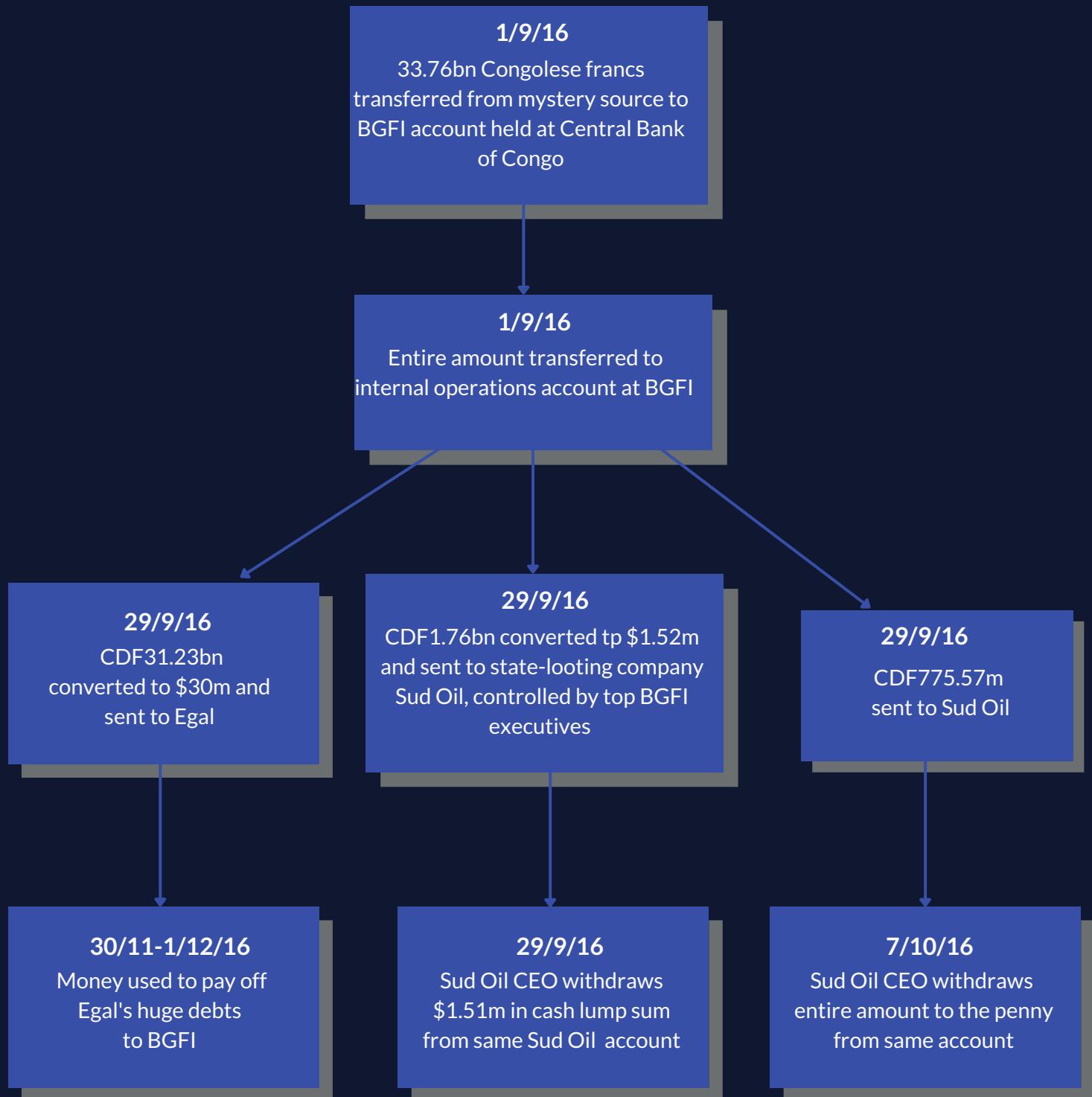
Egal's response, published on Twitter and addressed to our media partners, said the Inspection Générale des Finances had cleared Egal of any wrongdoing. But the company added that it is "waiting for the definitive conclusions" of the investigation, and that it could offer no further comment for fear of "compromising" the inquiry.

As Egal waits, the questions over its fishy business mount—and the controversy does not go away.

## *The \$34.6 million dollars question*

# WHO'S KEEPING EGAL IN THE MONEY?

Mysterious payment 1 : \$30 million to Egal



*The \$34.6 million dollars question*

# WHO'S KEEPING EGAL IN THE MONEY?

Mysterious payment 2 : \$4 m to Egal

24/6/14

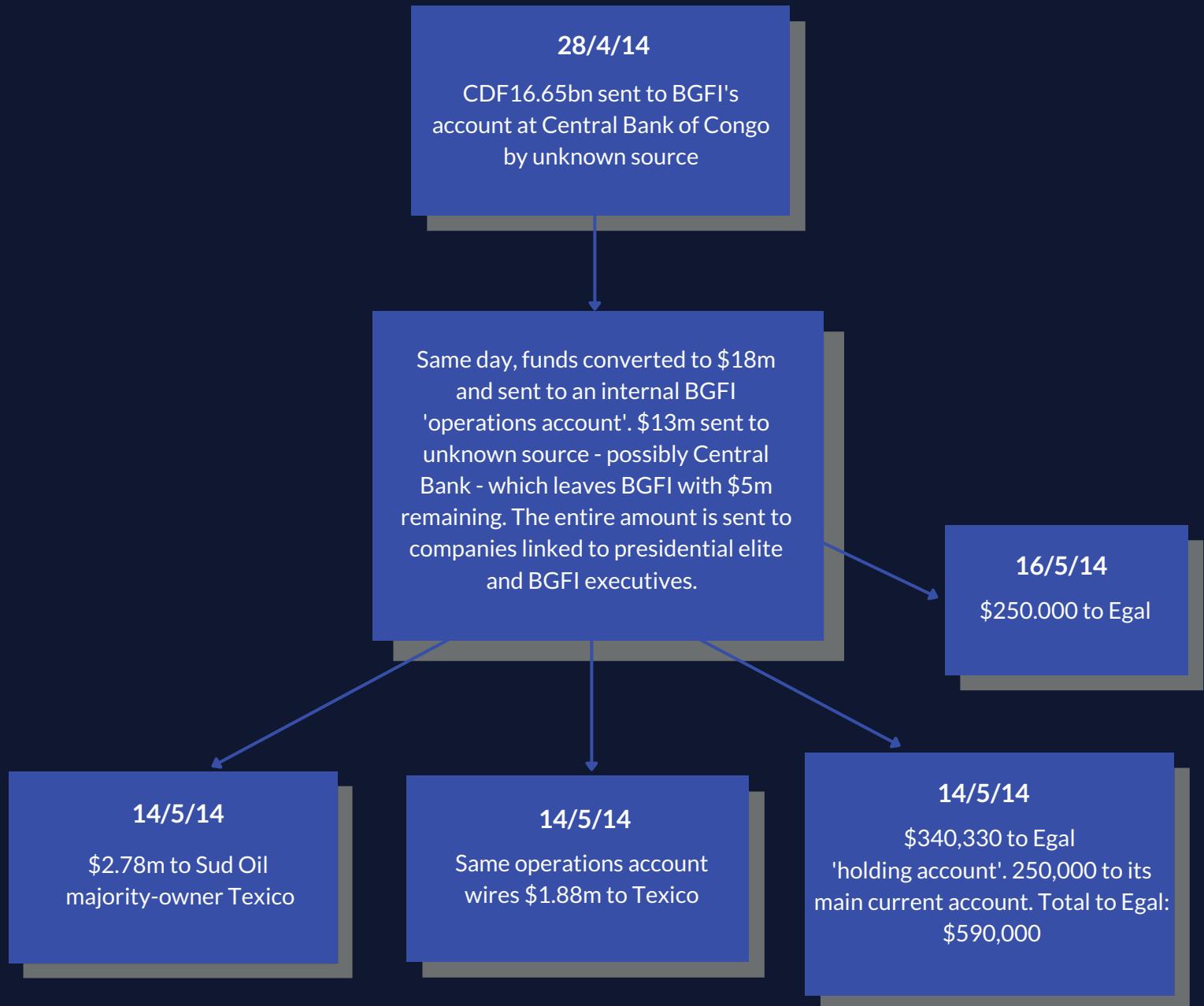
\$4m transferred to BGFI's account at Commerzbank, from a Rawbank account, held by unidentified client

The \$4m compensates for a mysterious transfer described as being 'from Egal to the Presidency'.

## *The \$34.6 million dollars question*

# WHO'S KEEPING EGAL IN THE MONEY?

Mysterious payment 3 : \$590,330 million to Egal



# An unfinished story

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The state-looting and cover-up exposed in this report happened some years ago, and many of the key figures have moved on, but there is still much to play out. The revelations come as Kabilia – so closely tied to Egal and its network of companies - is locked in a power struggle with his successor as President, Felix Tshisekedi. Even before this report was published, Egal was accusing Congo Hold-up of political motives.

"What is their real aim? What does all of this hide???" Egal spokeswoman Mimie Muninda Mading tweeted on 6 November 2021. "The real objective is to discredit what they say we are 'linked' to."

Muninda Mading said Egal has been under pressure from the authorities since Tshisekedi became President, exacerbating difficult market conditions that have led to hundreds of job losses.

Yet, the company still hasn't answered some big questions. Not least: Why was Egal given \$43 million of Central Bank funds? And where did the extra \$34.6 million in mysterious transfers come from?

The Tshisekedi administration's action so far on corruption has been widely perceived as politically motivated, targeting his rivals. Particularly egregious cases have been unaddressed, such as [revelations by whistleblowers in February this year](#) that Afriland Bank in Kinshasa had allegedly helped launder money for Dan Gertler, another businessman close to Kabilia and who has been put under US sanctions for striking "hundreds of millions of dollars' worth of opaque and corrupt mining and oil deals" in Congo.

Rather than the bank being prosecuted, it was the whistleblowers who found themselves in the dock and, astonishingly, sentenced to death for 'criminal conspiracy'. The whistleblowers, like Jean-Jacques Lumumba, have been receiving pro bono legal representation from PPLAAF.

Congo Hold-up's findings, based on the largest leak of documents from Africa to date, have now lifted the lid on huge slush funds, run not just by BGFI, but also by the Central Bank and, it seems, Congo's biggest private bank Rawbank.

The Central Bank account at the centre of the Egal affair also paid over \$30 million to another highly controversial company, Sud Oil. Owned by Kabila's sister and sister-in-law, and run by BGFI's top executives, the company and its affiliates were responsible for the looting of \$92 million of state funds in total.

Rawbank features in the Egal saga as the departure point of the Central Bank's \$43 million, but it has come up time and again in some of Congo's most serious financial controversies. For example, anti-corruption group Global Witness has shown how a Central Bank account at Rawbank received tens of millions of purported "tax advances" from state mining company Gécamines between 2012 and 2016—funds which appear nowhere in the state treasury. Rawbank declined to comment on transactions it handled, which it said were well "carried out in compliance with Congolese law and under the supervision of the Central Bank of Congo".

BGFI's role in the Egal scandal and its wider kleptomania in Congo is the subject of this report and Congo Hold-up's numerous other revelations. The officials named here as being implicated in the Egal scandal during the period 2013-18 – including the CEO Francis Selemani, his deputy Abdel Kader Diop and BGFI Chairman Pascal Kinduelo – are no longer at the bank, and Gabon headquarters has taken over the 40% share once owned by Kabila's sister, Gloria Mteyu. Huguette Oyini, the compliance chief at BGFI's Gabon headquarters who inquired into Egal's staggering borrowing, is now no. 2 for BGFI internationally.

But the problems for BGFI as a whole go deep. Corporate documents show that 11% of the bank internationally is held by the family of Gabonese President Ali Bongo, while in neighbouring Congo-Brazzaville, BGFI is headed by the country's intelligence chief, Jean-Dominique Okemba.

BGFI has featured in major money-laundering cases in both countries, linked to their presidential families. In a recent US case over stolen government funds allegedly laundered through Miami real estate, emails presented as evidence show Denis Christel Sassou Nguesso - the powerful son of Congo-Brazzaville's President - instructing a senior BGFI executive to send him many millions of dollars from the national oil company's accounts.

The story of Egal is a scandal, most importantly because the company was playing games with the most precious commodity for a hungry nation: food. But the banking machinery behind it shows that Congo has been the victim of a looting operation of even greater proportions.

