



## Artful Dodgers

### New Findings on North Korean Sanctions-Busting in the Democratic Republic of Congo

Two North Korean businessmen who evaded international sanctions in the Democratic Republic of Congo won more government contracts than previously understood, according to new information reviewed by The Sentry.<sup>1</sup> Their company, Congo Aconde, had wider access to US dollars through a local bank as they undertook public works projects in at least three provinces in the DRC.<sup>2</sup> The findings also suggest the pair had closer connections to Pyongyang than first thought. In addition, the two men likely worked in the DRC on behalf of a little-known North Korean government design firm, Korea Paekho Trading Corporation.

These revelations, as well as indications that Korea Paekho Trading Corporation affiliates have operated throughout West and Central Africa, raise significant questions about the enforcement of sanctions on North Korea. In particular, they demonstrate how North Korean actors exploit weak institutional controls and jurisdictions with high levels of corruption, a model other sanctions busters have followed. In the case of the DRC, due diligence shortfalls across private and public institutions may create systemic risk for an economy that relies heavily on access to US dollars through relationships with international banks.

In order to ensure the effectiveness of institutions at the front line of sanctions enforcement in the DRC and beyond, governments, multilateral bodies, and global banks must provide relevant assistance while also acting against the type of opportunism outlined in this report. In particular, the United States, the Financial Action Task Force (FATF), and global banks should help the Congolese government and local banks improve their ability to tackle illicit finance, in addition to providing support more widely on the African continent.

### Monument City\*

Congo Aconde, a construction services firm run by two North Korean nationals, undertook previously unreported activities in the southeastern city of Kolwezi, the capital of Lualaba province.<sup>3</sup> Congo Aconde's activities there, and local

\*This report and its findings are based on interviews, documentary research, and financial forensic analysis undertaken by The Sentry. The Sentry sought out credible information from additional independent sources, expert commentary, financial data, documentation, press reports, and other information. The Sentry endeavored to contact each of the persons and entities discussed in this report and afford them an opportunity to comment and provide further information. In most cases, these persons and entities did not respond to The Sentry's requests. As applicable, responses received have been included in the analysis and are otherwise reflected in the report itself. To distinguish comments received by The Sentry through this response process from other publicly available statements made by these entities, the report notes which statements were received in response to questions posed by The Sentry.



officials' engagement with the company, run afoul of sanctions implemented in 2016 by the European Union (EU), the United Nations (UN), and the US.

In May 2016, the mayor of Kolwezi, the city at the heart of copper and cobalt mining in the DRC, launched an urban improvement campaign.<sup>4</sup> In remarks delivered from a major traffic circle, Mayor Véronique Upite Kamina noted that her office had already secured partnerships with private companies to that end.<sup>5</sup>

Nearly two years later, the mayor and her deputy, Jacques Masengo Kindele, toured the city with two individuals her office described as “Korean investors” to discuss various beautification projects. Photographs from the visit show the officials conferring with Congo Aconde shareholders Pak Hwa Song and Hwang Kil Su, both North Korean nationals.<sup>6</sup> An article about their visit identified a number of planned local improvements, most of which Congo Aconde appears to have executed.<sup>7,8,9</sup>



Congo Aconde's founders met with city government officials in Kolwezi before building a monument at a major traffic circle. Photos: Kolwezi Mayor's Office (left); Lualaba provincial government (right).

Photographs and video reviewed by The Sentry indicate that Congo Aconde got to work shortly after Pak and Hwang's tour, and that the company was present in Kolwezi as late as November 2019.<sup>10</sup> Most notably, Congo Aconde built an elaborate monument at the same traffic circle where the mayor first launched the “Kolwezi ville propre” (Kolwezi Clean City) cleanup campaign in 2016.<sup>11</sup> The traffic circle celebrates the city's mining heritage and features statues, fountains, and other decorative elements. In addition, the company built a grandstand and an adjacent park decorated with flowerbeds and artificial waterfalls. Circumstantial evidence suggests the company also built a statue of former president Laurent-Désiré Kabila, similar to one it erected in Kamina, the capital of neighboring Haut-Lomami province.<sup>12</sup>

According to a document reviewed by The Sentry laying out the Kolwezi government's 2018 budget, the city dedicated about \$102,000 that year to rehabilitate roundabouts, gardens, and roadside green spaces. This list of projects in the budget document matches works undertaken by Congo Aconde there during the same period.<sup>13</sup>

Records reviewed by The Sentry indicate that Congo Aconde also had a previously unidentified US-dollar account at the DRC affiliate of Cameroon-headquartered Afriland First Bank, which was tied specifically to its Kolwezi operations. The Sentry previously identified another US dollar account held by the company at the same bank.<sup>14</sup> North Koreans and



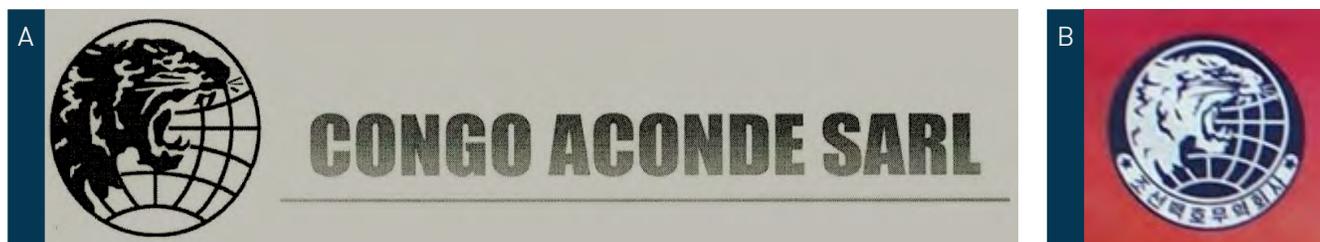
any companies they control are mostly prohibited by EU and UN sanctions from accessing banking services, and US sanctions strictly limit any access to US dollars.<sup>15, 16, 17</sup>

## Tiger Team

Since the publication of its August 2020 report on Congo Aconde, The Sentry has reviewed additional information that links the company to the North Korean government, renewing concerns about implications for international peace and security.

While Pak and Hwang were Congo Aconde's sole shareholders and managers, they were not its only employees. The firm kept on its payroll at least three other North Korean nationals, all of whom held passports issued to persons traveling on official government business.<sup>18</sup>

The Sentry has also reviewed information suggesting that Congo Aconde is affiliated with the North Korean government-controlled design firm Korea Paekho Trading Corporation.<sup>19</sup> In one such example, an internal company document shows that Congo Aconde's logo—the profile of a stylized tiger's head on a globe—is the same as one used by the Pyongyang-headquartered firm.



Congo Aconde's logo (A) is the same as one used by the Pyongyang-headquartered Korea Paekho Trading Corporation (B). Photos: The Sentry.

Korea Paekho Trading Corporation is reportedly one of the main government-run design firms, although there is comparatively little information in the public domain about its work abroad.<sup>20</sup> A North Korean website related to foreign trade notes that Korea Paekho Trading Corporation is “one of the two leading art corporations” in North Korea, with activities in Equatorial Guinea, Ghana, Ivory Coast, and Mali.<sup>21</sup> According to the website, the company's expertise includes “sculpture and monument abroad” and “architectural decoration abroad.”<sup>22, 23, 24</sup> Congo Aconde undertook similar works in the DRC.

The paucity of information on Korea Paekho Trading Corporation contrasts with the scope of public reporting on the other main North Korean government-run studio, Mansudae Overseas Projects. In particular, Mansudae Overseas Projects has gained international attention for the large statues it has built in as many as 14 African countries. The company was ultimately placed under US sanctions in 2016, followed by EU and UN sanctions in 2017, because of its role in generating revenue for the North Korean government.<sup>25, 26, 27</sup> While Korea Paekho Trading Corporation is not designated by name in any international sanctions programs, its overseas activities would be prohibited under them.



Notwithstanding its comparatively low profile, Korea Paekho Trading Corporation appears to be more broadly active in undertaking public works across the African continent than previously understood.<sup>28, 29, 30</sup> The Sentry found indications that the company has been engaged in such work there even after the implementation in 2016 of strict sanctions prohibiting these activities. The firm seems to have been especially active in West and Central Africa. As in the case of Congo Aconde, many apparent Korea Paekho Trading Corporation projects may have been funded by local government authorities. For example, a local affiliate appears to have constructed public works in Nigeria's Imo state during the tenure of a controversial governor criticized for projects he commissioned.<sup>31</sup> <sup>32</sup> In addition, as of November 2020 an apparent local Korea Paekho Trading Corporation affiliate was commercially active in Cameroon, where Congo Aconde shareholders Pak and Hwang obtained visas for the DRC in 2018.<sup>33</sup>

## Arts and Graft?

These new revelations call into question how Congo Aconde successfully won government contracts despite the associated risks of non-compliance with sanctions programs. The company appears to have cultivated relationships with city and provincial government executives, even if its expertise may have played a determining role in securing contracts.<sup>34</sup> Congo Aconde's apparent relationships with powerful individuals, the opacity surrounding the tenders, and the sanctions risks raise concerns about possible corruption.<sup>35, 36, 37, 38, 39, 40</sup>

Statements by officials in Kolwezi suggest that their urban improvement campaign—of which Congo Aconde's works were clearly a part—aimed to boost the prestige and stature of the city as a “provincial metropolis.”<sup>41</sup> The city government dedicated scarce resources to these projects for nearly two years, despite arguably more exigent constituent needs.<sup>42</sup> As in the case of the other locales where Congo Aconde was active, the process by which the company won contracts in Kolwezi and the rationale for its selection remain unclear.

## Recommendations

Actions by governments, multilateral institutions, and banks regarding sanctions risks in the DRC could help improve enforcement and reinforce the integrity of the country's banking sector. To that end, The Sentry offers the following recommendations:

### United States, European Union, United Nations, and international organizations

**Amend the risk advisory.** The US Department of the Treasury's Financial Crimes Enforcement Network (FinCEN) should amend the existing advisory on the illicit finance threat emanating from North Korea to include the risks of doing business with certain parts of the DRC's banking sector. FinCEN advisories play a critical role in anti-corruption and sanctions enforcement efforts. Both US and international banks should be alerted to pay closer attention to collecting information on entities under sanctions and suspicious accounts relating to the DRC.



**Address anti-money laundering and countering the financing of terrorism (AML/CFT) implementation and shortfalls.** The US Treasury Department and the International Monetary Fund (IMF) should help banks in the country implement AML/CFT standards and urge the DRC's central bank to improve AML policy implementation and address legislative gaps.

**Enhance EU monitoring.** The EU should consider adding the DRC to its list of high-risk third countries in order to facilitate enhanced monitoring. European countries and the United Kingdom should consider issuing advisories on the risks of doing business with certain parts of the DRC's banking sector, highlighting the possibility that some actors exploit the sector to evade sanctions.

**Urge transparency in government contracting.** The US Department of State and the IMF should urge the DRC to ensure a transparent public tender process and to make all government contracts, including provincial contracts, publicly available.

**Provide sanctions enforcement assistance.** Countries able to provide technical assistance should help others enforce UN sanctions. The US, EU, FATF, and other organizations should provide this type of assistance to governments and banks in need of guidance and training on effective sanctions implementation.

**Issue targeted network sanctions.** The EU, US, and UN Security Council should investigate and, if appropriate, place under sanctions persons and possible networks connected to the transactions described in this report, including any government officials who facilitated contracts for the North Korean companies.

## Global banks and the financial community

**Conduct enhanced due diligence on transactions.** Global multinational banks should carry out enhanced due diligence on the transactions of certain banks operating in the DRC. Banks operating in the DRC should improve screening, training, and awareness of these offenses and add proliferation financing red flags to their filters. Afriland First Bank and its banking correspondents should comply with UN and US sanctions and freeze all accounts controlled by Congo Aconde and its North Korean owners. The banks should cooperate with investigators and provide all documentation related to the accounts and any transactions. While taking a risk-based approach, banks should avoid mass de-risking and raise compliance to international AML/CFT standards.

**Develop best practices.** The Congolese banking association should work to develop best practices to help local banks enhance customer due diligence related to North Korea, including in relation to the proliferation and financing of weapons of mass destruction, and help restore confidence in the Congolese banking sector.

## Congolese government

**Improve the AML/CFT regime.** The Congolese government should enhance AML/CFT compliance by local financial institutions, including by supporting the development of a national risk assessment, a national strategy to address existing shortfalls in the AML/CFT regime, capacity building with regulators, and enhanced banking supervision. The central bank should also issue guidance to all banks operating in the DRC on implementing UN Security Council resolutions that concern proliferation financing.

**Empower the DRC financial intelligence unit.** The Congolese government should empower CENAREF to conduct independent and thorough investigations of suspicious financial activities in support of Congolese law enforcement and



the national courts. In particular, the government should staff the unit with experienced professionals, provide necessary training to existing staff, and fully fund the unit. The government should also ensure that CENAREF staff members have the other necessary resources to conduct investigations. In addition, the Congolese government should join the Egmont Group, the international consortium of financial intelligence units that promotes information sharing.

**Review problematic contracts.** Governing authorities at the national, provincial, and city levels should annul any current contracts with Congo Aconde and review any contracts with companies controlled by North Korean nationals.

**Ensure that the public corporate registry is comprehensive, accurate, and updated.** Public registries that include shareholder and beneficial ownership information can help improve corporate transparency, public oversight, and accountability. The Congolese government should ensure that its searchable online public registry of corporate entities includes all such corporations and that it is accurate, updated, and available to financial institutions, law enforcement, and the general public.

**Cooperate with the UN Panel of Experts and Security Council Committee.** The Congolese government should submit implementation reports in accordance with its obligations to the UN Security Council and assist the Panel of Experts on North Korea's information gathering efforts. The Congolese delegation to the UN should report details of the events described in this report to the Panel of Experts and the Security Council Committee for further investigation and consideration. Where necessary, the Congolese government should request assistance from the North Korea and 1540 committees to better implement Security Council resolutions, develop enforcement mechanisms, and share intelligence.

We are grateful for the support we receive from our donors who have helped make our work possible. To learn more about The Sentry's funders, please visit The Sentry website at [www.thesentry.org/about/](http://www.thesentry.org/about/).



## Annex: Timeline of Events

**January 31, 2018:** Pak Hwa Song and Hwang Kil Su obtain tourist visas for the DRC.

**February 23, 2018:** The Lubumbashi branch of Afriland First Bank provides Congo Aconde with a document attesting that the company has a US dollar account at the bank.

**February 26, 2018:** Congo Aconde is formally established.

**April 9, 2018:** Pak and Hwang meet with city leaders in Kolwezi about multiple urban improvement projects.

**May 12, 2018:** Photographic evidence reviewed by The Sentry shows one of Congo Aconde's previously unreported North Korean employees directing Congolese workers at a project site in Kamina, Haut-Lomami province.

**May 22, 2018:** Satellite imagery shows construction underway on a roundabout in Kolwezi.

**May 31, 2018:** Emmanuel Ramazani Shadary, named in August of the same year as then-President Joseph Kabila's handpicked successor for the presidential elections that December, visits one of Congo Aconde's work sites in Kamina.<sup>43</sup>

**June 23, 2018:** Work begins on a statue of Kabila's father, Laurent-Désiré Kabila, in Kamina.

**July 26, 2018:** Work is underway on Laurent-Désiré Kabila statue in Kolwezi.<sup>44</sup>

**January 23, 2019:** Statues built by Congo Aconde in Kamina are inaugurated.<sup>45</sup>

**August 7, 2019:** Hwang appears in Kinshasa, where he discusses a park project with Governor Gentiny Ngobila.

**November 22, 2019:** Hwang appears with Mayor Véronique Upite Kamina in Kolwezi at the site of an artificial waterfall built by Congo Aconde.<sup>46</sup>



## Endnotes

- 1 For more information on Congo Aconde's activities in the DRC, see the annex of this report.
- 2 According to information reviewed by The Sentry, Congo Aconde was active in Haut-Katanga, Haut-Lomami, and Lualaba provinces.
- 3 See the annex for a timeline of events.
- 4 Agence congolaise de presse, "Lancement par le maire de Kolwezi de la campagne 'Kolwezi ville propre'" (Kolwezi Mayor Launches "Kolwezi Clean City" Campaign), Nexis, May 4, 2016, available at: [www.nexis.com](http://www.nexis.com) (last accessed September 2020).
- 5 *Ibid.*
- 6 Both Mayor Upite Kamina and Deputy Mayor Masengo Kindele are or were recently members of former President Joseph Kabila's political party, Parti du peuple pour la reconstruction et la démocratie (People's Party for Reconstruction and Democracy, or PPRD), according to local media reports. As indicated in The Sentry's related August 2020 report, other officials known to have had interactions with Congo Aconde's shareholders were members of the same party at that time or were aligned with Kabila's Common Front for Congo (FCC) electoral bloc.  
  
See:  
  
The Sentry, "Overt Affairs: How North Korean Businessmen Busted Sanctions in the Democratic Republic of Congo," August 2020, available at: <https://thesentry.org/reports/overt-affairs/>  
  
For information related to Upite Kamina's political alignment, see:  
  
Agence congolaise de presse, "La présidente de la ligue provinciale des femmes du PPRD/Lualaba en visite d'itinérance à Mutshatsha" (President of PPRD Provincial Women's League of Lualaba Visits Mutshatsha), Nexis, October 16, 2019, available at: [www.nexis.com](http://www.nexis.com) (last accessed September 2020).  
  
For information related to Masengo Kindele's political alignment, see:  
  
Parti du peuple pour la reconstruction et la démocratie (People's Party for Reconstruction and Democracy, or PPRD), Facebook post, May 23, 2017, available at: <https://www.facebook.com/pprdOfficiel/posts/750781235094423> (last accessed September 2020).
- 7 Mairie de Kolwezi (Kolwezi Mayor's Office), "Visite des espaces verts de la ville de Kolwezi" (Kolwezi Green Space Visit), April 11, 2018, available at: <https://web.archive.org/web/20180506164454/http://www.mairiekolwezi.net/> (last accessed September 2020).
- 8 Mairie de Kolwezi (Kolwezi Mayor's Office), statement on visit by "Korean investors," Facebook post, April 11, 2018, available at: [https://www.facebook.com/permalink.php?story\\_fbid=207783603152145&id=169208883676284](https://www.facebook.com/permalink.php?story_fbid=207783603152145&id=169208883676284) (last accessed September 2020).
- 9 Congo Aconde consistently used certain design elements apparently absent from the city prior to Pak's and Hwang's tour in April 2018. In particular, Congo Aconde's projects employed distinct artificial log and stone designs with comparable shapes and nearly identical coloring. The Sentry used these designs in part to identify the company's projects.
- 10 The city tour attended by Mayor Upite Kamina, Deputy Mayor Masengo Kindele, Pak, and Hwang took place shortly before the latter two individuals began working there. Congo Aconde may thus have won multiple contracts in Kolwezi within months of its formal registration in the DRC.
- 11 A video reviewed by The Sentry shows scenes from the April 9, 2018 tour Pak and Hwang took with Mayor Upite Kamina and Deputy Mayor Masengo Kindele. The video also intersperses scenes of Hwang on the project site at the traffic circle and speaking with an interviewer in French about the project. The content of the video also reinforces the notion that the city government of Kolwezi broadly commissioned Congo Aconde to undertake beautification projects there.
- 12 According to information posted on social media by the Kolwezi city government, the statue project was underway as of July 2018, around three months after Congo Aconde's apparent initial visit. Photographs on the social media post suggest that the statue itself had been completed and installed in the city on or before that month. See:  
  
Mairie de Kolwezi (Kolwezi Mayor's Office), statue project, Facebook post, July 25, 2020, available at: <https://www.facebook.com/>



permalink.php?story\_fbid=676044769659357&id=169208883676284 (last accessed September 2020).

- 13 During the period when Congo Aconde was building public works in Kolwezi, the city also separately underwent a series of large-scale transportation infrastructure improvements, including some funded through a World Bank urban development program.
- 14 The Sentry, “Overt Affairs: How North Korean Businessmen Busted Sanctions in the Democratic Republic of Congo,” August 2020, available at: <https://thesentry.org/reports/overt-affairs/>
- 15 United Nations Security Council, “Security Council Committee established pursuant to resolution 1718 (2006),” available at: <https://www.un.org/securitycouncil/sanctions/1718#current%20sanction%20measures> (last accessed March 2020).
- 16 European Council, “EU Restrictive Measures Against North Korea,” available at: <https://www.consilium.europa.eu/en/policies/sanctions/history-north-korea/>
- 17 US President (Donald Trump), Executive Order 13810, “Imposing Additional Sanctions with Respect to North Korea,” September 20, 2017, available at: <https://www.whitehouse.gov/presidential-actions/presidential-executive-order-imposing-additional-sanctions-respect-north-korea/>
- 18 Prior research conducted by The Sentry also suggests that passports of the type held by Pak and Hwang at the time they incorporated Congo Aconde are issued to individuals traveling abroad on official government duty. See note 14.
- 19 Paekho means “white tiger” in Korean and may also be transliterated as Baekho.
- 20 Foreign Trade of DPR Korea, “Korea Paekho Trading Corporation,” available at: <http://www.kfrtrade.com.kp:8888/#/index/facility/detail/10438> (last accessed September 2020).
- 21 *Ibid.*
- 22 *Ibid.*
- 23 An archived version of a website that presented itself as a forum for promoting North Korean artwork indicates that its “close partner in Pyongyang is the Paekho Arts Trading Company, which is less famous than the Mansudae Arts Studio.” Although the website uses a different rendering of the name, the description makes it clear that the website is referencing Korea Paekho Trading Corporation. In comparing Korea Paekho Trading Corporation to its better known counterpart, the website adds that it “is at least as dynamic and it enjoys fast growth thanks to its impressive pool of artistic talents.” Notably, the website goes on to say that the company presumably identifiable as Korea Paekho Trading Corporation developed an “outstanding reputation in a number of Middle Eastern and African countries for it[s] murals, statues and panoramas, which it designs and executes much faster and at much better prices than its foreign competitors.” See:  
  
Pyongyang Painters, “About Us,” archive available at: [https://web.archive.org/web/20110803152430/http://pyongyang-painters.com/pos/top\\_menu/call/main\\_aboutus/do/load](https://web.archive.org/web/20110803152430/http://pyongyang-painters.com/pos/top_menu/call/main_aboutus/do/load) (last accessed September 2020).
- 24 An archived version of an apparently separate North Korean website on foreign trade describes Korea Paekho Trading Corporation as exporting “various kinds of audio-video cassettes, silver souvenirs, pianos and fine arts.” The website further indicates that the company imports “various kinds of electronic goods, equipment and materials for films, pianos, musical instruments and publications, a rich selection of nutritious foodstuffs.” Finally, the website notes that Korea Paekho Trading Corporation is involved in other artistic endeavors, such as “joint and ordered production of cartoon films and feature films, exchange of culture and arts (music, dance and acrobatics).” See:  
  
Korea Computer Center in DPR Korea, “Foreign Trade of Korea,” archive available at: <https://web.archive.org/web/20050213003156/http://www.kccckp.net/en/trade/trade-company.php?7+955> (last accessed September 2020).
- 25 US Treasury Department, “Treasury Sanctions Individuals and Entities Supporting the North Korean Government and Its Nuclear and Weapons Proliferation Efforts,” Press Release, December 2, 2016, available at: <https://www.treasury.gov/press-center/press-releases/Pages/jj0677.aspx>
- 26 European Union, “Document 52017XC0811(11),” August 11, 2017, available at: <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX%3A52017XC0811%2811%29>



- 27 United Nations, “Security Council Toughens Sanctions Against Democratic People’s Republic of Korea, Unanimously Adopting Resolution 2371 (2017),” August 5, 2017, available at: <https://www.un.org/press/en/2017/sc12945.doc.htm>
- 28 The Sentry found indications that the company had been active in Equatorial Guinea and Mali, and of an apparent Korea Paekho Trading Corporation affiliate in Ghana. In addition, The Sentry found evidence that Korea Paekho Trading Corporation built public works in Cameroon and in the city of Parakou, Benin, and that the firm has operated in Nigeria. In fact, the Nigerian corporate registry includes a company called Paek Ho Nig Construction Ltd, several directors of which listed their business address as the neighborhood in Pyongyang where Korea Paekho Trading Corporation is located.
- 29 According to a North Korean foreign trade website, Korea Paekho Trading Corporation was established in 1970 and has also been active in China, Egypt, Germany, Italy, Jordan, Kuwait, the Netherlands, Russia, Switzerland, Syria, Thailand, and the United Arab Emirates. See note 20.
- 30 The Sentry observed marked similarities between the styles and types of work executed by Congo Aconde in the DRC and those displayed in project photographs and graphical renderings—many bearing Korea Paekho Trading Corporation’s logo—posted to social media by a person working for an apparent Korea Paekho Trading Corporation affiliate in Africa.
- 31 The Sentry reviewed graphical renderings and photographs of projects posted on social media by a person working for an apparent Korea Paekho Trading Corporation affiliate in Africa, many of which bear a Korea Paekho Trading Corporation logo. These images show that Korea Paekho Trading Corporation was active in the Nigerian city of Owerri, which features a large number of landscape architectural works and where as many as a dozen statues of African leaders were unveiled in 2017 and 2018. One rendering suggests that a Korea Paekho Trading Corporation affiliate may have been commissioned by a foundation associated with former Imo State governor Rochas Ochoroka, under whose leadership many decorative architectural works were built in Owerri, including the construction of several large artificial waterfalls.
- 32 Agence France-Presse, “Nigerian State Gets ‘Happiness Minister,’” December 5, 2017, available at [www.nexis.com](http://www.nexis.com) (last accessed September 2020).
- 33 According to interviews conducted and documents reviewed by The Sentry, a probable Korea Paekho Trading Corporation affiliate has been active in Cameroon. The company currently operates under the trade name Paekho Construction and uses a logo identical to the one used by Congo Aconde in the DRC. According to information reviewed by The Sentry, it has constructed a broad range of buildings, monuments, and other decorative architectural works for city governments, religious institutions, and other entities throughout the country since around 2014. Notably, the company appears to have built a large obelisk, fountains, and sculptures in the capital city Yaounde’s Independence Square. A photograph reviewed by The Sentry shows Congo Aconde director Hwang Kil Su standing in front of the large obelisk in Independence Square while it was under construction in late 2015 or early 2016. As of November 2020, the Cameroonian revenue authority’s website listed Paekho Construction as being commercially active, and separate information reviewed by The Sentry indicates that the company has been engaged in construction projects since the implementation of international sanctions that would prohibit such activities.
- 34 Notably, Congo Aconde’s managers appear to have predominantly interacted with officials who are or were members of the PPRD, former President Joseph Kabila’s political party. The PPRD has had some engagement with senior North Korean political figures. For example, PPRD members met in August 2016 with a senior North Korean delegation. The delegation was led by Ri Su-Yong, who had served as foreign minister of the country until May of that same year. At the time of his visit, Ri was the vice-chairman of the central committee of the Workers’ Party of Korea, the ruling party of North Korea.

For further information on the visit, see:

Parti du peuple pour la reconstruction et la démocratie (People’s Party for Reconstruction and Democracy, or PPRD), “Invitée par le Pprd, une importante délégation nord coréenne est arrivée à Kinshasa ce dimanche 14 août 2016” (Invited by the PPRD, an Important North Korean Delegation Arrived in Kinshasa this Sunday, August 14, 2016), Facebook post, August 14, 2016, available at: <https://www.facebook.com/pprdOfficiel/posts/602124899960058> (last accessed September 2020).

For further information on Ri’s tenure as foreign minister, see:

Choe Sang-Hun, “North Korea Is Said to Appoint Career Envoy as Foreign Minister,” *The New York Times*, May 17, 2016, available at: <https://www.nytimes.com/2016/05/18/world/asia/north-korea-ri-yong-ho-named-foreign-minister.html>



For further information on Ri's role at the time of the visit, see:

BBC Worldwide Monitoring, "North Korean Party Official Meets Counterparts in South Africa," August 28, 2016, available at: [www.nexis.com](http://www.nexis.com) (last accessed September 2020).

- 35 The statue projects in Kamina, Haut-Lomami province were reportedly financed entirely through the provincial budget, and statements by the Kolwezi city government referenced the use of its own budget to pay for Congo Aconde's projects. Separate information reviewed by The Sentry also indicates that the city government of Lubumbashi, about 320 kilometers (200 miles) from Kolwezi and the location where Congo Aconde was incorporated, awarded a public contract to the company for a city improvement project there.
- 36 Available information suggests that the company's main personnel liaised with officials directly in a way that may have created other incentives for those officials to award public contracts. For example, a statement by the Kolwezi city government refers to Pak and Hwang as "Korean investors" and other publicly available information references Congo Aconde "accompanying" officials in city beautification and modernization efforts. See:
- Mairie de Kolwezi (Kolwezi Mayor's Office), statement on visit by "Korean investors," Facebook post, April 11, 2018, available at: [https://www.facebook.com/permalink.php?story\\_fbid=207783603152145&id=169208883676284](https://www.facebook.com/permalink.php?story_fbid=207783603152145&id=169208883676284) (last accessed September 2020).
- RTGA World, "13ème rue : Vers l'aménagement de cet espace vert en un parc public" (13th Street: Toward Developing This Green Space Into a Public Park), August 7, 2019, available at: <https://groupelavenir-rdc.info/actus.php?idart=131&idrub=27> (last accessed March 27, 2020).
- 37 Auguy Mudiayi, "Kinshasa : Congo ACONDE et AVC Construct désignées pour construire le 'Parc public' à la 13ème rue industriel" (Kinshasa: Congo ACONDE and AVC Construct Chosen to Build 'Public Park' at 13th Street), Desk Eco, August 8, 2019, available at: <https://deskeco.com/kinshasa-congo-aconde-et-avc-construct-designees-pour-construire-le-parc-public-a-la-13eme-rue-industriel>
- 38 Agence congolaise de presse, "Pose de la première pierre de la construction du monument de Mzee Kabila à Kamina dans le Haut-Lomami" (Groundbreaking Ceremony for the Mzee Kabila monument in Kamina in Haut-Lomami), Nexis, June 23, 2018, available at: [www.nexis.com](http://www.nexis.com) (last accessed September 2020).
- 39 Agence congolaise de presse, "Kamina : fin des travaux de construction du monument de Mzee Kabila" (Kamina: Mzee Kabila Monument Built), Nexis, August 8, 2018, available at: [www.nexis.com](http://www.nexis.com) (last accessed September 2020).
- 40 In the case of the apparent contract awarded to Congo Aconde by the city of Lubumbashi, The Sentry could find no publicly available information on any meetings or deliberations related to Congo Aconde's work there, nor could The Sentry find a city budget outlining the work that seems to have been given to the company.
- 41 See note 4.
- 42 In 2015, the DRC government subdivided some of the country's provinces, resulting in the creation of, among others, Lualaba province, for which Kolwezi serves as the capital. According to an academic study, this process entrenched central government control over provincial affairs while constraining the provinces' budget and budgetary authority. In turn, provinces faced new limitations on activities like consistently paying civil servants or upgrading infrastructure. The study also notes that in the case of Lualaba province, the government there imposed taxes on Kolwezi to bridge its own funding gaps. Decentralization may have created an additional incentive for the city government to take risks to exercise some control over local planning. Thus, in an environment of constrained budgets and the need to demonstrate political agency, sanctions compliance may not be an operative factor. See:
- Lisa Jené and Pierre Englebert, "Tangled! Congolese Provincial Elites in a Web of Patronage," Secure Livelihoods Research Consortium, January 15, 2019, available at: <https://securelivelihoods.org/publication/tangled-congolese-provincial-elites-in-a-web-of-patronage> (last accessed September 2020).
- 43 Parti du peuple pour la reconstruction et la démocratie (People's Party for Reconstruction and Democracy, or PPRD), "PPRD Haut-Lomami : Le SP Ramazani visite des travaux en cours d'exécution sur initiative du chef de l'État" (PPRD Haut-Lomami: Permanent Secretary Ramazani visits works under way by request of the head of state), Facebook post, May 31, 2018, available at: <https://www.facebook.com/pprdOfficiel/posts/945081825664362> (last accessed March 2020).
- 44 Mairie de Kolwezi (Kolwezi Mayor's Office), Facebook post, July 26, 2020, available at: [https://www.facebook.com/permalink.php?story\\_fbid=676044769659357&id=169208883676284](https://www.facebook.com/permalink.php?story_fbid=676044769659357&id=169208883676284) (last accessed September 2020).



- 45 Agence congolaise de presse, "Haut-Lomami : inauguration des monuments Mzee Kabila et Ilunga Mbidi à Kamina" (Haut-Lomami: Inauguration of Mzee Kabila and Ilunga Mbidi Monuments in Kamina), January 23, 2019, available at: [www.nexis.com](http://www.nexis.com) (last accessed March 2020).
- 46 Mairie de Kolwezi (Kolwezi Mayor's Office), Twitter post, November 22, 2019, available at: <https://twitter.com/MairiedeKolwezi/status/1197872523674820609> (last accessed September 2020).

