



PASSPORTS TO RICHES: Semlex's dubious dealings with African governments

By Tama Mule



Albert Karaziwan is a multi-millionaire who in 1992 founded Semlex, a privately traded company owned primarily by him and his family. Semlex supplies passports and identification cards. In 2008, Karaziwan claimed that his businesses had a combined value of 100 million euros.

Karaziwan has had close ties with the governments of at least 18 African countries spanning the whole of the continent, including Kenya, Uganda, Tanzania, Libya, Mozambique, and the Ivory Coast. The most prominent among these, as far as his connections go, is the Comoros Islands, from where he holds three diplomatic passports. He has also twice attended the United Nations General Assembly as a part of the Comoros delegation. He was made a roving ambassador of the Comoros and at least eight of his staff were nominated for Comoros honorary consulships between 2010 and 2012. Another big partner of his is the Democratic Republic of Congo. He was seen at the United Nations General Assembly with the Congolese delegation early in 2017.

Despite these surprisingly powerful connections, Karaziwan is neither a citizen of Comoros, DRC or of any other African nation with which he has been able to secure incredible financial footholds and political appointments. He is a Syria-born Belgian citizen who for close to two decades has used Semlex and its various partners, as well as political clout and connections on the continent, to secure multiple hundred-million-dollar deals to provide passports and other identification documents to

African countries at exorbitant prices and sometimes without going through open tender processes.

In the Comoros, presidential decrees and various documents have revealed that Semlex-supplied Comoros passports have been bought by foreigners. A parliamentary investigation into the sale of passports to foreigners found that more than 2,800 Comoros diplomatic passports have been issued since 2008 - in a country with a population of about 800,000. At least 184 of these passports were issued to non-Comorians.

Karaziwan became involved in a Comoros programme to raise cash by selling citizenships. The plan was aimed mainly at the Bidoon people of Kuwait and the United Arab Emirates who do not possess citizenship of any country. It offered Gulf governments a means of identifying these people without giving them local citizenship. It also provided the Comoros with much-needed revenue. The Comoros government received just over \$4,500 for each citizenship issued, according to government documents from 2012. The Emirati government estimated that the number of Bidoon within the country ranged from 20,000 to 100,000. Currently at least 40,000 of these people carry Comorian passports.

However, the citizenships and passports were also being sold to non-Bidoon people, sometimes at much higher prices, according to Comoros investigators. Comoros passports are of value because they offer citizenship with no tax obligations, allow the opening of bank accounts in Gulf States and facilitate visa-free travel through the Gulf and to many major business hubs globally, such as Singapore and Hong Kong, as well as to tax haven countries such as Bermuda, the Cayman Islands, the Cook Islands, Mauritius, Saint Kitts and Nevis and Panama, according to U.S officials in the State Department who specialise in the region.

The Comoros government allowed some of these sales to be facilitated by a Dubai-based firm called Lica International Consulting, according to an agreement between the two entities reviewed by Reuters. Three sources, one with direct knowledge of Semlex operations, said Lica is controlled by Karaziwan while two of these sources claim that Lica is run on behalf of Karaziwan by a business associate named Cedric Fevre, a name that appears many times during this saga. Lica was supposed to vet the candidates for citizenship and pay the Comoros government \$10,000 per document issued, according to the agreement between the company and the government.

The Iranian connection

A presidential decree revealed a list of 21 foreigners who had been proposed by Lica for Comorian citizenship, which had then been granted by the president, while a former Comoros government official said he knew of at least 23 other passports sold through Lica to non-Comorians. Two sources with knowledge of Karaziwan's activities claimed that Lica asked for at least 100,000 euros for supplying a Comoros passport. A series of presidential decrees have revealed that some of the Comoros passports were sold to people who had been accused by the United States of breaking sanctions with Iran.

A decree from July of 2015 revealed that a man named Hamid Reza Malakotipour was granted Comoros citizenship. He had been sanctioned in 2014 by the United States government, which alleged that he was in possession of an Iranian passport and had used his Comorian citizenship to circumvent the sanctions placed on Iran by the United States and to supply the Iranian Revolutionary Guards in Syria.

Also revealed in the same decree was that a man called Mohammed Zarrab of Turkish- Iranian origin was issued with Comorian citizenship. He was accused by U.S prosecutors in 2016 of violating the U.S sanctions on Iran by using the U.S financial system to undertake hundreds of millions of dollars

worth of transactions on behalf of Iran. His brother Reza Zarrab was also indicted on claims that he had transacted on behalf of the Iran-based Mahan Air, which had been sanctioned for airlifting weapons to Iran's Quds Forces and Hezbollah. A Reuters investigation was unable to glean how the two individuals received their passports, and the extent to which Semlex and Lica were involved

In January 2018, the Comoros government cancelled a batch of passports that had been issued to foreigners, saying they had been improperly issued. A confidential list of the passport recipients reviewed by Reuters discovered that more than 100 of the 155 passports that had been cancelled belonged to Iranians, among whom were senior executives of companies in sectors that had been targeted by U.S sanctions. The government of Iran does not officially permit its citizens to hold more than one passport, but a source familiar with the process stated that Iranian military intelligence had given the green light for some of these senior officials so that business transactions and travel could be carried out with ease.

According to details contained in a database of Comoros passports issued between 2008 (when the government programme to sell citizenships began) and 2017, more than 1,000 people whose place of birth was Iran bought Comoros passports. Some of the names on this list include names such as:

- Mojtaba Arabmoheghi, one of the top managers of the Iranian oil industry, who obtained a Comoros passport in 2014 while he was the chairman of Sepeher Gostar Hamoun. He was also a commercial consultant for a firm called Silk Road Petroleum in the UAE whose financial director, a man named Naser Masoomian, also acquired a Comoros passport on the same day.
- Mohammed Sadegh Kaveh, who heads Kaveh Port and Marine Services, obtained a Comoros passport in 2015. Kaveh and his family are among the main operators of Iran's Shahid Rajaei port that handles most of Iran's container traffic
- Hossein Mokhtari Zanjani, an influential figure in Iran's energy sector and a lawyer who handles domestic and international disputes, acquired a Comoros passport in 2013.

On its website, Lica listed a Dubai-based company called Bayat Group as a partner, which, according to the latter's website, specialises in providing citizenships of places such as Comoros, Malta and St. Kitts and Nevis. Bayat Group is headed by Sam Bayat Makou, an Iranian who acquired a Comoros passport in July of 2013, though this was among the passports that were cancelled by the Comoros government. Makou said that Iranians acquired Comoros passports because "Comorians have better visa-free access than Iranians" to many Far East countries. Bayat Group, according to Makou, had done work with Lica, which he claimed was licenced by the government of Comoros to market the passports outside the Bidoon programme.

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The incumbent President at the time was called Ahmed Abdallah Sambi, and throughout his 2006-2011 tenure, he began to forge strong ties with Iran. Sambi had been educated in the Iranian holy city of Qom, and when he ascended to power, he visited Tehran in 2008. The then Iranian president Mahmoud Ahmadinejad was looking to cultivate relations with African and Latin American states as the West took increasing measures to distance itself from Iran. Following Sambi's visit to Tehran, Ahmadinejad visited Comoros in 2009. In addition, Sambi is said to have had Iranians within his personal guard and was referred to as "The Ayatollah of Comoros" by some islanders.

Though Sambi left power in 2011, he declined to comment on the sale of the said passports to non-Comorians. The sale of these passports continued under his successor, Ikililou Dhoinine, who was in office from 2011-2016. Though Dhoinine has no obvious links to Iran, he declined Reuters' requests to comment on the situation.

His successor Azali Assoumani came to power in 2016 and changed tack completely, severing ties with Iran and aligning with Saudi Arabia and other Gulf Nations at odds with Iran. He set up a parliamentary commission of inquiry to investigate the programme that sold citizenship to the Bidoon. The commission found that as early as 2013, the UAE informed the Comoros government that hundreds of passports had been sold to foreigners outside the programme. This was after UAE officials noticed people who were neither Comorian nor Bidoon travelling through the country on Comoro passports. A Comoros security source said that the Comorian intelligence services had received reports of people with Comoros passports being killed on the battlefields of Iraq, Syria and Somalia, a demonstration of how widespread the sale of Comoros passports had become. As a result, the United States has begun to perform more thorough background checks on people travelling with Comoros passports.

According to a parliamentary report, at least \$100 million in revenue from the sale of these passports was never received by the government of Comoros and had gone missing, though the government has not released a statement explaining where they think the money could have gone.

The deal in the DRC

The investigation in the Comoros followed a report published by Reuters in April of 2017 that revealed that Semlex was the same company responsible for issuing biometric passports in the impoverished Democratic Republic of Congo for the exorbitant price of \$185 per passport, making the DRC passport among the most expensive passports in the world. This in a country where the average national income is \$394.25 a year.

Between October 2014 and June 2015, Karaziwan corresponded with Congolese authorities on the passport deal. Initially, in an October 2014 correspondence, he told Joseph Kabila, the incumbent president of the DRC, that Semlex would be able to provide the biometric passports at a cost of between 20 and 40 euros each as Semlex had its own printing facilities. Five days later, Karaziwan invited two members from Kabila's inner circle, Moise Ekana Lushyma and Emmanuel Adrupiako, to Dubai to discuss a possible contact. By 13 November 2014, the price for the passports had risen to \$120.

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Finally, in March 2015, Karaziwan was invited to Congo to finalise the proposal for the passport programme. In June of the same year, the final contract was signed by Karaziwan, the Congolese Finance Minister Henry Yay Mulang and the Congolese Foreign Minister Raymond Tshibanda. Semlex had agreed to invest \$222 million into the project and the Congolese government agreed to raise the price of the passport, charging its citizens \$185 for every passport issued. (The steep rise is doubly shocking considering a rival proposal from another Belgian company called Zetes. Zetes

outlined a plan and confirmed making an offer in 2014 to supply Congo with biometric passports that would cost \$28.50 each.) From the revenue made from the passports, only \$65 dollars would go to the Congolese government. The remaining \$120 would be given to a group of companies that include, Semlex Europe in Brussels, Semlex World in the UAE, Semlex's Lithuanian printer and a UAE entity called LRPS.

In a second agreement in June of the same year, the \$120 was further divided up, with \$12 from every passport sale going to Mantenga Contacto, a Kinshasa-based firm that would handle the projects "human resources issues, including supplying staff". The three Semlex firms from the previous agreement were allotted \$48 per passport issued, leaving out \$60 of the money allotted to the consortium of companies going to LRPS, who would in return help with administration, logistics and relationship with the government.

Though LRPS was represented in the government talks by Karaziwan, it is currently owned by Makie Makolo Wangoi, according to a source familiar with the passport deal. A Bloomberg investigation into the business interests of the Congolese president and his family revealed that Wangoi was Joseph Kabila's sister. Corporate records confirmed that she was a shareholder in several companies with other Kabila family members.

A Reuters investigation was unable to verify the status of LRPS, but its certificate of incorporation from Ras al Khaimah in the UAE revealed that it was established on 14 January 2015 just as Semlex was negotiating the passport deal with Kabila's representatives. The certificate of incorporation does not reveal who owned the company when it was established, but a second document from that same year revealed that in late 2015, LRPS was owned by Cedric Fevre, a business associate of Karaziwan based in Dubai, who also ran Lica International Consulting, one of the firms implicated in the sale of Comoros passports to non-Comorians.

Though the computer-created document that revealed this information is unsigned, the metadata embedded in it shows that it was created in the UAE in 2015 and printed on 25 June of the same year. On that same day, Fevre transferred all 10,000 shares in LRPS to Wangoi, according to a source with direct knowledge of the deal. The only signed copies of the share transfer agreement are in the possession of Fevre and Wangoi, both of whom declined to respond to questioning from Reuters investigators.

A few weeks after the deal was signed, bank documents and emails revealed that two UAE-based companies made deposits of \$700,000 to the private bank accounts of Emmanuel Adrupiako, one of the advisors that Kabila sent to the UAE to meet with Karaziwan during the initial talks for the passport deal. One of the companies that made the payments was called Berea International and the other was called Cedovane. The incumbency certificate for Berea revealed that the Semlex CEO, Karaziwan, was the director, secretary and sole shareholder of Berea. Another director of Berea was none other than Cedric Fevre, who is also a director of Cedovane.

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The payments were made through United Arab Bank (UAB). UAB documents show that on 29 July 2015, Cedovane paid \$300,000 to a Royal Bank of Canada account held by Adrupiako in Quebec. The

documents cite a “loan agreement.” Then, on 25 August, Berea International paid \$400,000 to Adrupiako’s account with Jyske Bank in Denmark. According to bank emails and contact with Berea, Adrupiako told Jyske Bank that the money was to pay for a four-storey building that Berea was renting from him in Kinshasa. The transaction triggered concern in Copenhagen. Reuters visited the site of this four-storey building and found that it was still under construction and Berea had no visible presence there.

The passport contract in Congo runs for five years and does not specify how many passports will be produced, but in recent years DRC has issued nearly 2.5 million passports annually. Sources with direct knowledge of the Semlex-Congo deal said that on one occasion Semlex had claimed that it had produced 145,000 passports by the end of January 2017, earning LRPS nearly \$9 million. A Reuters reviewed document then revealed that Semlex said it would be able to supply DRC with 2 million passports per year once everything was fully operational, a deal that would make LRPS \$120 million a year.

Kabila was due to step down from DRC’s presidency in December 2016, but elections were postponed, and he retains power as tension, violence and calls for him to step down increase. Dozens were killed in violent clashes between protestors and police, and his domestic opponents assert that his authority has run out - though even if Kabila does step down, LRPS will continue to make money as Article 14 of the contract for the deal states that the agreement remains valid even if “institutional changes” occur within the country.

Other dodgy contracts

Karaziwan’s and Semlex’s exploits in Africa do not end with the Congo or Comoros. Early in 2017, the government of Mozambique terminated a 10-year contract with Semlex worth several hundreds of millions of dollars that had been awarded in 2009 by the previous government. According to sources close to Semlex, the deal was struck without an open tender, and the new government claims that only a fraction of the \$100 million that Semlex had promised to spend on training, electronic scanners and other types of infrastructure was invested. The passports were going to cost citizens of Mozambique \$80 each in a nation whose average income per capita was under \$500 per year. Officials from the Mozambique Centre for Public Integrity (CIP) published a review of the contract in 2015 revealing that the state only collected 8% of the revenues from the ID documents produced between 2011 and 2014

In Guinea Bissau, Helder Tavares Proenca was listed as a Semlex agent in the country, according to Semlex documents reviewed by Reuters. In November 2005, Proenca became the defence minister and in early 2006 Semlex won contracts to supply the country with passports, visas, ID cards and foreign resident cards. Semlex documents revealed that Proenca was paid at least 80,000 euros between 2004 and 2009.

Proenca was assassinated in 2009, but in 2010, Semlex employees, including Karaziwan, discussed what percentage of revenue they would have to pay former and current Guinea Bissau officials to secure a further contract to provide the country with passports and identification cards for foreigners. A proposal was made to pay a commission of 20% of the price of a passport and 15% of the revenue that Semlex received for residence permits issued to foreigners. Karaziwan was asked to sign off on the offer on 24 January 2011 and the next day he replied, “You can confirm it.”

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However, the Guinea Bissau government says that Semlex did not win a further contract but other Semlex emails show staff describing certain payments as bribes. In November of 2010, Michele Bateurs, the Semlex finance manager, requested an employee to detail how he had spent close to \$80,000 euros provided for operations in Africa, to which he plainly replied that it had gone towards rent and utility bills while 10,000 euros had gone towards “pot de vin” (the French term for bribes). When asked about what had happened to half of the \$10,000, he responded that it had gone to pay “a bribe that Albert Karaziwan made me pay recently”.

In Madagascar, there is evidence of Semlex benefitting disproportionately in comparison to the state in a deal that the two entities signed. Semlex extended an existing contract to provide passports to Madagascar in 2013, and more than doubled the amount charged. In the deal, citizens would pay 36.25 euros for a passport. Of this amount, 33.75 euros would go to Semlex, leaving the Madagascar state with only 2.5 euros for every passport issued. Previously, Semlex only received 15.50 euros for every passport issued. And not that producing these passports is restrictively expensive. An invoice from Imprimerie National, a French printing firm that provided Semlex with blank passports prior to Semlex setting up their own printing facilities in Lithuania, showed that Semlex paid between 1.75 and 2 euros per document for projects in Madagascar, Gabon and Comoros between 2007 and 2008.

Semlex appears again in Gambia in a much bigger way than the two instances mentioned above. While the country was ruled by the now deposed dictator Yahya Jammeh, an opaque deal was signed with Semlex to manage the provision of identity documents to Gambia. Gambia’s new president, Adama Barrow, seems to be pursuing widespread reformative policies, such as removing restrictions on free speech. However, leaked data, including contracts, emails and international correspondence from company and government insiders, have revealed that the new government is seeking to renew the contract with Semlex to provide identity documents to the country. The former interior minister under Jammeh, Ousman Sonko, had signed a 5-year contract with Semlex in June 2015 to provide biometric ID cards and border control systems for Gambia. Semlex would retain 70% of the profits from this deal with the rest going to the government. Overall the company was estimated to make \$67 million over the course of the 5 years.

The deal was met with protests from several civil society organisations that believed that the contract would allow Semlex to gain control over the identities of Gambia’s citizens. According to critics of the said contract, its flaws touch a wide range of areas. For instance, a signed version of the contract obtained by the Organised Crime and Corruption Reporting Project (OCCRP) does not mention any form of government oversight. The contract prohibits government interference with any third parties that Semlex or its partners select to carry out the work and allows the firm to repatriate profits anywhere without limits on the timeframe or the amount. The contract further places no restrictions on Semlex’s role in collecting, storing, using or safeguarding citizens’ private data. It also does not spell out who is responsible for oversight or handling of identity cards and passports. It is not clear on who is considered a non-citizen or alien. Finally, the contract also stipulates that the deal will not be affected by any institutional changes: “The validity and continuity of this contract shall not be affected by any institutional change within Gambia.” This is almost like the contract signed by Semlex and the government of the Democratic Republic of Congo.

As a response to this backlash, the national assembly launched an inquiry into the arrangement, while the government issued a press release stating that while the Semlex contract would remain in place, it was under review.

Since the contract was signed in 2016, it has remained largely unimplemented. A local company called Pristine had been provided, without bids, two contracts from 2009 to 2020 to produce identification documents for the country and has continued to provide the documents. The owners of Pristine have told reporters that if they lose the contract to the more politically connected Semlex, they would be in a lot of debt, as the family that owns it has invested \$4.3 million for the work required for the provision of the documents.

Jammeh, Gambia's former ruler, confused matters further when he gave the firms Zetex (another Belgian company) and its local partner Africard the same deal that he had given Semlex. There has been no evidence that any work has been undertaken by these two companies.

In January 2017, Semlex was also granted a contract to provide voter cards to Gambia. This was again carried out with no apparent government oversight and critics of the contract fear that it might use its power over the voter cards to influence elections, as the company is dependent on the success of the regime for its own personal success.

The original Semlex deal in Gambia was orchestrated by Laurent Lamothe, the former Prime Minister of Haiti and the director of Global Voice Group, a US-based communications company. Lamothe began working with Semlex in early 2007. The two companies drafted contracts and agreed to create a local venture known as Semlex Gambia and a company named Biometric International Group to be run by Lamothe. According to one version of the contract, Biometric International would earn 20% of the joint venture revenues, which would be paid out as bonuses, though who the benefactor/s of these bonuses are remains unclear. In July of 2007, they sent an email with a formal submission to the Gambian government, though it is unclear whether Biometric International was involved at the time. In addition, no deal seems to have been finalised at the time.

In 2016, Jammeh's office instructed that the deal with Semlex be cancelled in favour of a contract with Zetex and Africard. This led to conflicting claims over which company had the rights to the contract. It then emerged that none of the three companies - Semlex, Pristine or Zetex - had ever been subjected to Gambia's public procurement process. The office of the president in Gambia is allowed to "exempt any procuring organisation from requiring the approval of the Authority with respect to any procurement in whole or part". Such exemptions are legally required to be published in the official Gazette. The government, however, seems to be siding with Semlex. As mentioned above, it maintains that Semlex's contract is valid though its terms require re-evaluation. Critics fear the re-evaluation of the contract will not be effective as the national assembly is only allocated 10 days to investigate and review the contract.

How do Semlex, Karaziwan and his consortium of associates manage to secure these deals up and down the African continent? An important player in helping them secure these connections is Zina Wazouna Ahmed Idriss (referred to as "Madame Idriss" in Semlex emails). She is an ex-wife of President Idriss Deby of Chad. An email written by the Semlex finance manager, as well as sources with knowledge of Semlex's operations, described her role as acting as an intermediary to help Semlex win new business in Africa.

In 2007 and 2008, Semlex secured two deals worth \$21 million euros to produce passports, visas and ID cards for Gabon. From 2008 to 2010, Madame Idriss received payments totalling 1.6 million euros from Semlex, according to a Semlex spreadsheet of costs related to her. The invoices described the payments as commissions for helping land business in Gabon. The payments were made in various forms, including money for hotels, ski lessons, dresses, flights, credit card payments and cash, according to a Semlex spreadsheet from 2011. Payments totalling 565,561 euros went towards a house that Madame Idriss became the owner of in the upmarket district of Waterloo in Brussels. The payment was listed as "Maison Waterloo". An additional 9,000 euros went towards

rent for an apartment in Monaco. Madame Idriss was nominated by the Comoros foreign ministry as an honorary consul of the Comoros to Monaco in July 2010, according to Comoros foreign ministry documents.

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In May 2018, Comoros officials in Brussels raided the headquarters of Semlex following the Reuters report on the company’ dealings in the DRC. Francis Koning, a lawyer who represents Karaziwan and Semlex, claimed that unidentified third parties were manipulating Reuters with the aim of damaging the reputation of Karaziwan and his company. He said, “Semlex Europe has no role in the decision to issue passports. This is the sole prerogative of the Comoros authorities who are the only authorised representatives to do so.” He then added that Semlex “is neither responsible nor to blame for the actions or acts” that are alleged in the Comoros parliamentary report on the sale of passports, “supposing they even took place”.

This report has been compiled from a series of investigations carried out and published by Reuters.

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