

GOLD AND CROSSBOWS

How Russian Mercenaries Support Dirty Russian
Business in Africa?

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EXECUTIVE SUMMARY

Following Yevgeny Prigozhin's death, PMC 'Wagner' in Africa came under the control of the Russian Ministry of Defence, retaining its influence in the Central African Republic, Sudan and Mali.

In CAR, the mercenaries are supporting President Touadera in return for control over gold and diamond mines. In Sudan, they have adapted to the changes in power. In Mali, however, they have faced fierce resistance and have been unable to establish full control over gold mining. Gold remains a key asset in circumventing sanctions against Russia and is sold through the UAE, which has become the centre of the illegal trade. Despite sanctions, Russian entities continue to generate revenue from African resources, and the military successes of mercenaries have a direct impact on the economic activities of these entities.

Research Objectives:

- 1 To show the relationship between mercenaries, businesses and local elites in three country case studies, highlighting the similarities and differences of these relationships in each case.
- 2 To detail the individuals and entities controlling the extraction and logistical movement of gold and other resources despite sanctions.
- 3 To emphasise the UAE's central role as the main hub for Russian-controlled African gold.

Context

The death of Yevgeny Prigozhin in August 2023 triggered the redistribution of his assets and accelerated the process by which the Russian Ministry of Defence, and the GRU in particular, took control of PMC Wagner. In addition to the military forces operating in Ukraine, an important part of Prigozhin's empire **were** his African assets, which **included** mercenaries as well as a number of companies involved in the extraction and sale of valuable resources.

Despite the numerous investigations (**one, two, three**) into the new heads of Prigozhin's business empire, the fate of his African assets remains unclear.

This report will explore how PMC Wagner took control of the extraction of gold, diamonds and other

resources in a number of African countries, and will explore what happened to Prigozhin's companies in Africa after his death. Russia's network of military and business influence has spread to many African countries. Some, such as Egypt and Algeria, **buy** military equipment from Russia whilst others, like Benin and South Africa, depend on Russian fertilisers or, in the cases of Senegal and Rwanda, rely on Russian grain. However, this report is not only about trade – it is about dirty business, where violence, corruption and the circumvention of sanctions thrive.

This report focuses on three countries: the Central African Republic (CAR), Sudan, and Mali.

The pattern of relationships between Russian influences and local regimes varies. In the CAR, Russian mercenaries and businesses have effectively managed to take control of the extraction of gold and other resources, becoming a key pillar of support in President Touadera's regime. In Sudan, Russian mercenaries failed to save the regime of their patron President Omar al-Bashir, but have successfully adapted to the new political reality. In Mali, Russian actors faced fierce resistance from both local rebels, who inflicted the largest defeat of Russian mercenaries in Africa, as well as from the local military junta, which refuses to grant concessions for the mining of gold.

This report's focus on gold-rich countries **stems** from the fact that gold is easy to hide from regulators, and so can be used more effectively to



circumvent sanctions and fund criminal activity. The use of gold to circumvent sanctions is a fairly common practice. By doing this, sanctioned countries, such as Iran and Venezuela, [are able](#) to mitigate the impact of the restrictions and access international markets. Although the CAR, Sudan and Mali are not the only African countries in which Russians have gold-related assets, the vast majority of Russian-controlled African gold is mined in these countries.

[According to Swissaid](#), between 321 and 474 tonnes of artisanal gold mined in Africa goes undeclared each year. This is valued at between US\$ 24 billion and US\$ 35 billion, and represents 72-80% of the continent's total artisanal gold production. Moreover, gold smuggling in Africa is [on the rise](#). Russian-owned mercenaries and companies play an integral role in African gold-smuggling¹. [Experts estimate](#) that, as of the end of 2023, African gold had brought Russia more than US\$ 2.5 billion since the beginning of the country's full-scale war with Ukraine. Despite the fact that the vast majority of individu-

als and entities referenced in this report are under Western sanctions, they continue to operate through intermediary countries, most significantly the UAE, which is willing to violate American and EU sanctions.

Structure

This report consists of four case studies, revealing the specifics of interactions between Russian mercenaries and businesses in the countries with an important Russian presence. The first three chapters focus on individual states and deal with two main aspects:

- 1 Background on the rise of Russian mercenaries and the major political and military events in which they have been involved.
- 2 The investigation of Russian business assets, including the identification of the companies and individuals which run them, with a focus on gold.

The division of the report in this way is justified by the fact that successful combat operations by Russian mercenaries are a key factor in promoting Russian business in Africa. The more successful the mercenaries are in fighting their employers' opponents, the more successful the business

becomes. In the CAR, for example, Russian mercenaries were a decisive factor in the defeat of rebels and the restoration of President Touadera's authority over the country. Correspondingly, the extent of Russian business in the CAR is substantial. On the other hand, Russian mercenaries in Mali have fought rather unsuccessfully, having been periodically defeated by the rebels. Consequently, they are yet to gain control over the extraction of gold and other resources there. This report lays out why the presence of Russian mercenaries on the ground is a prerequisite for Russian business to thrive in Africa.

The fourth chapter focuses on the destination of most of the gold mined or bought by Russians in Africa – the United Arab Emirates. It also reveals the supply chains and intermediaries used to generate revenue from the sale of these resources. The UAE is by far [the largest buyer](#) of African gold, and is now one of the largest gold-trading centres in the world.

¹ The Geneva Convention defines a mercenary as a person recruited to take part in an armed conflict who is directly involved in hostilities, is motivated by a desire for personal gain in return for substantially higher compensation than ordinary combatants, is not a national or permanent resident of a party directly involved in the conflict, is not a member of the armed forces of that party, and is not sent by another State to perform official duties.

The final chapter details Russia's failed attempt at intervening in Madagascar's domestic affairs.

Our research draws on the following sources:

- 1 English- and French-language publications; studies and reports on Russian mercenary and business activities in African countries.
- 2 Professional interviews with experts on the activities of Russian mercenaries in Africa, including journalists, political scientists and international relations specialists involved in monitoring the situation. For security reasons, their identities will not be disclosed.
- 3 Open source data, including data from trading records and relevant legal entities.



WAGNER'S AFRICAN EMPIRE

Russia's strategy in African countries is characterised by several strategies. Firstly, the Kremlin and its affiliates provide military support to friendly non-democratic regimes to bolster the latter's power.

Secondly, in exchange for this assistance, Russia gains access to natural resources, often circumventing official rules. This dynamic is exemplified in studies of Russian intervention in various African states ([one](#), [two](#), [three](#)).

Almost immediately after its emergence in Africa, PMC Wagner went beyond the traditional scope of a private military company whilst simultaneously remaining in step with Russia's established strategy. As well as protecting regimes friendly to the Kremlin, Wagner [was actively involved](#) conducting political campaigns and disseminating Kremlin propaganda. However, the core purpose of PMC Wagner's activities was ensuring control of strategic resources such as gold, diamonds and timber. Wagner would secure access to valuable natural resources and use these resources to finance its operations and generate income.

Whilst PMC Wagner initially acted according to the interests of Russian authorities, during Prigozhin's lifetime, they gained a kind of autonomy through their control of billions of dollars of underground cash-flow.

Prigozhin's death, and the subsequent transformation of his business empire, affected his African assets. Officially, control over the mercenaries

[was transferred](#) to the Ministry of Defence and the GRU, including those operating in several African countries. The resulting new entity is called the 'African Corps.' [According to Verstka](#), the Ministry of Defence has poached not only former Wagner mercenaries, but also recruiters bringing in new fighters. However, this does not stop local Africans from continuing to refer to Russian mercenaries as 'Wagner.'

The picture of the extraction of resources and supply chains is far more complicated. Wagner's activities in Africa were not limited to security and military backing either during Prigozhin's lifetime, nor have they been after his death. Instead, they existed in a complex network of mutually beneficial relationships with local regimes based on access to natural resources and political manipulation. Since Prigozhin's death, the structure of these relationships has changed, but the key mechanisms of interaction have largely remained the same. Each country in which PMC Wagner is active demonstrates unique aspects of these interactions, revealing the implications for regional stability and international relations.

The primary purpose of Russian mercenaries in Africa is to protect Kremlin-friendly regimes or to provide other services which help politicians loyal to Russia win elections or stay in power.

War crimes and violence against civilians

It is worth noting that the 'protection' of regimes is often [accompanied](#) by war crimes involving Russian mercenaries. Mercenaries systematically [attack](#) civilians, committing acts of sexual violence and looting homes, shops, mines and markets. These actions benefit the mercenaries themselves, but are also part of a broader strategy of suppressing local populations through violence. In the CAR alone, [according to the ACLED](#), Russian mercenaries killed more than 900 civilians between

December 2020 and March 2024. In Mali, Russian mercenaries [killed](#) about 400 people in 2024.

We will not cover all cases of war crimes, but merely note that violence against civilians is often motivated by a desire to gain access to gold deposits. Wagner regularly attempts to gain control of small-scale mines through intimidating gold miners: at least 20 incidents of violence have been [linked](#) to attacks on local miners between December 2020 and June 2023.

Witnesses [interviewed](#) by The Guardian described massacres carried out by fighters they identified as members of the Wagner group. These fighters carried out raids on migrant miners' camps between the town of Am-Daga in the north-east of the CAR and the areas bordering Sudan for six weeks, starting in mid-March 2022. They reportedly fired indiscriminately with automatic weapons, destroyed equipment, demolished buildings and stole motorcycles. One witness mentioned a mass grave containing the bodies of more than 20 people.

In March 2024, Russian mercenaries [carried out](#) numerous attacks on mines operated by private miners in the areas of Kotabara and Zaranga, Ouam Prefecture, CAR. Approximately 60 civilians were reportedly killed and several people injured as a result of these attacks. Survivors were forced to carry stolen items and gold.



THE CENTRAL AFRICAN REPUBLIC



Wagner's Arrival in the CAR

After gaining independence in 1960, the Central African Republic experienced a series of autocratic regimes, military coups and political violence. The current president of the CAR, Faustin-Archange Touadera, took office in 2016. In the same year, France [withdrew](#) most of its troops from the country, which significantly complicated efforts to maintain order. In this context, Touadera sought another foreign partner to help him stay in power and successfully eliminate separatist sentiments in the country. Support was found: the Kremlin and the Wagner Group became the CAR's new main partners. Wagner's presence in the CAR [began](#) in 2017, when the newly-elected Touadera visited Russia and requested military assistance to fight rebel groups. By early 2018, Russia had [sent](#) weapons and five military instructors. Later, the Russian contingent gradually became directly involved in combat operations alongside the state's army, helping to restore control over the territory lost during the civil war beginning in 2012.

At first, the mercenaries [limited](#) themselves to acting as military instructors, and did not take part directly in combat operations. However, by the end of 2020, Wagner's involvement in the CAR

had grown significantly due to the growing rebel activity: the Coalition of Patriots for Change (CPC), led by the former President Francois Bozize, had [launched](#) an offensive across the CAR with the aim of overthrowing the government. By January 2021, they [controlled](#) about two-thirds of the country. In response, Wagner Group mercenaries were sent to join operations alongside CAR armed forces, the UN peacekeeping mission and Rwandan special forces. By May 2021, the allied forces had [managed to recapture](#) most of the territory occupied by the rebels.

In this way, Wagner became an influential military force which allied itself to President Touadera. Russian mercenaries not only [acted](#) as instructors for the presidential guard, but also significantly expanded their influence over local generals: by the end of 2021, most of the CAR army units [were operating](#) under the command of Russian mercenaries. This leading role which Russian mercenaries play in the CAR army is [confirmed](#) by information from numerous military and civilian sources in the country. The Wagner Group has also [significantly strengthened](#) its influence in other CAR state institutions.

Gold, diamonds and timber

In exchange for military aid, the CAR government granted access to gold mines, including the Ndas-sima mine, which [generates](#) approximately US\$ 290 million annually and has gold reserves worth in excess of US\$ 1 billion. A [comparison](#) of satellite images of the mine taken in February 2022 and February 2023 showed noticeable changes:

an expanded processing plant, depletion of the existing quarry, and the development of a new mining site. All this points towards an increase in production capacity with the potential for further growth.

To manage these assets, Russian businessmen linked to Prigozhin [created two companies](#) –

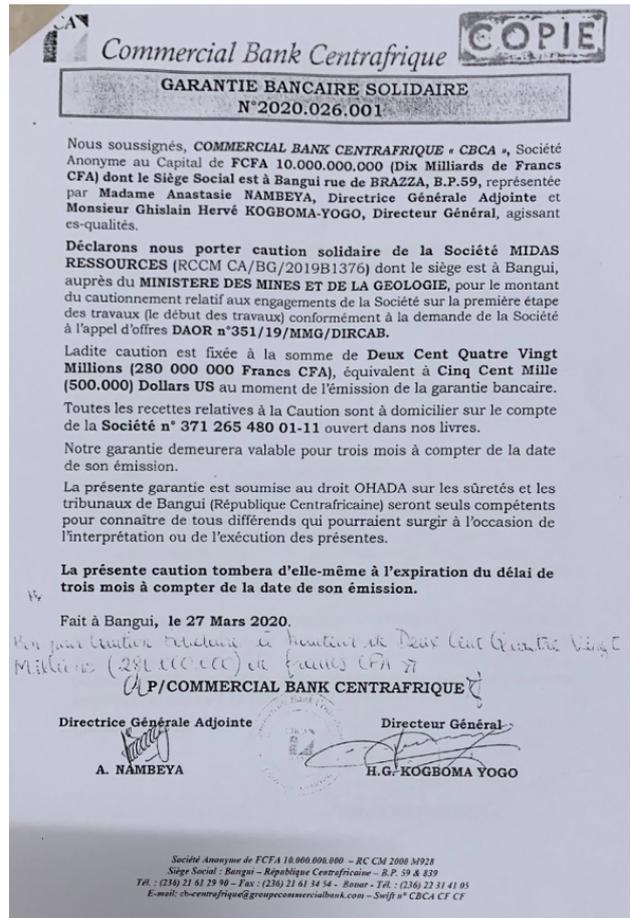


Midas Resources SARLU and Lobaye Invest Sarlu. The former manages the Ndassima mine, while the latter is engaged in gold and diamond mining in other regions. Another company, Mining Industries SARLU, obtained a [licence](#) to develop a gold and diamond deposit in the Vakaga prefecture.

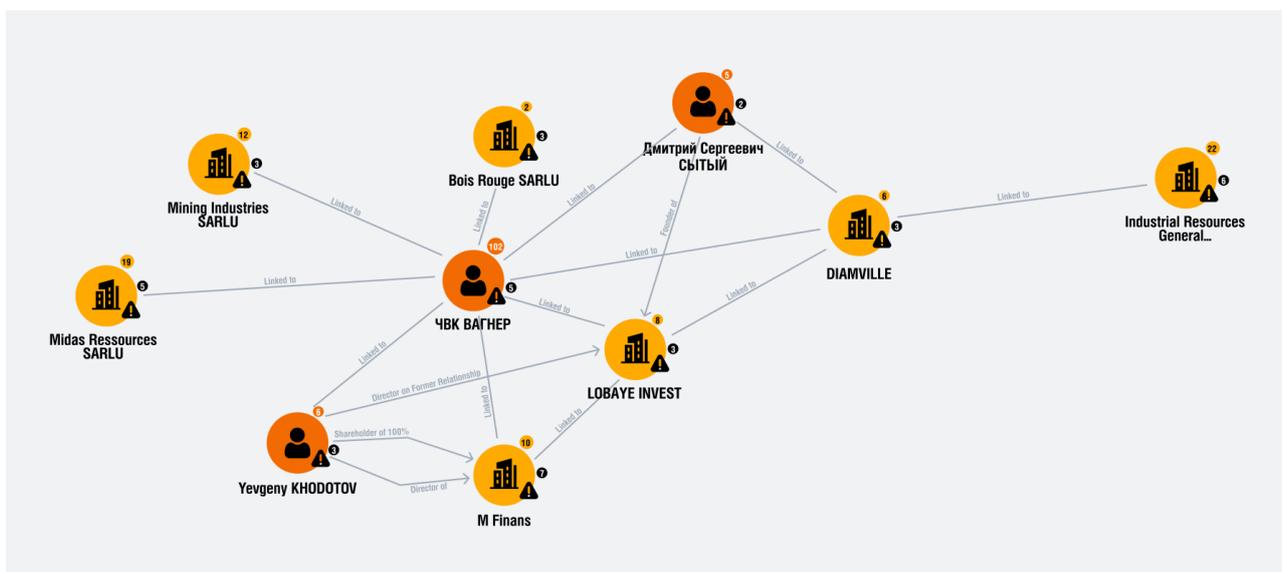
The territory in which Midas Resources operates in the Ndassima area covers at least 12 undeveloped deposits over an area of approximately 700 square kilometres. Before being [seized](#) by rebels in 2012, the mine was controlled by the Canadian company Axmin, whose licence was revoked by the CAR government. The Canadian company is [seeking](#) compensation through international arbitration.

In September 2023, a delegation from Midas Resources arrived in Ndassima to meet with local community leaders. Company representatives [announced](#) that they had purchased the land from the CAR government and ordered local gold miners to leave the area immediately. This is not an isolated case – Wagner systematically seizes control of small mines, often resorting to violence. At least twenty attacks on miners have been [recorded](#) between December 2020 and June 2023.

In addition to gold, structures affiliated with Prigozhin [established](#) the company Diamville SAU, which then obtained a licence to export and import diamonds. During their years of operation, Prigozhin’s managers have [succeeded in creating](#) an efficient logistic chain which covers every stage from the mining of diamonds to their sale on international markets. Wagner structures have [formed](#) a cartel which forces independent diamond collectors to sell exclusively through Diamville.



Document dated March 27, 2020, in which Commercial Bank Centrafrique serves as a joint guarantor with Midas Ressources for a loan worth \$500,000. Photo: The Sentry.



AN INFOGRAPHIC showing where gold, diamonds and timber are extracted in the CAR.



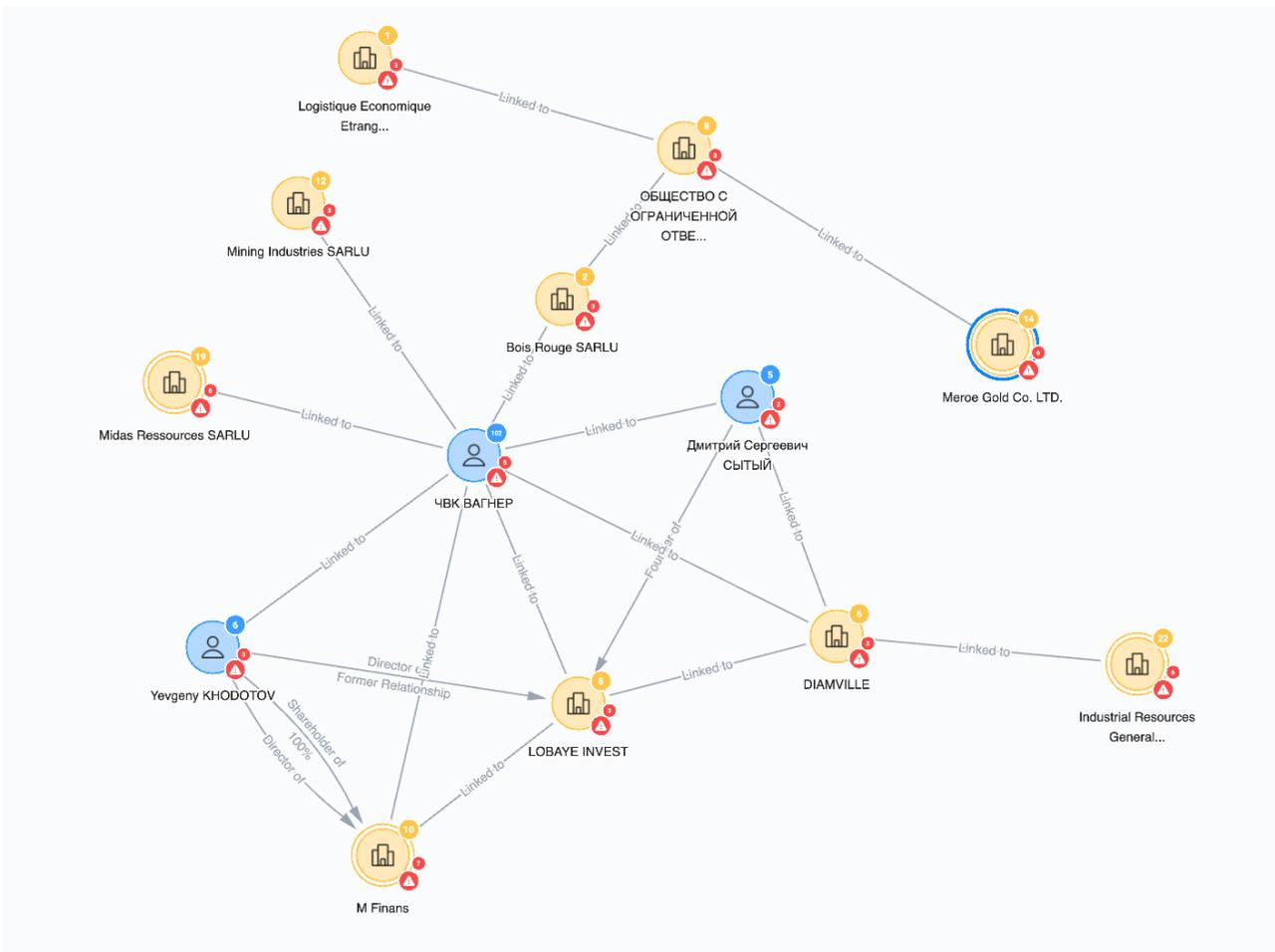
In the same way as with gold mining, Wagner mercenaries often employ violence to realise their goals. Funds received by way of Diamville are known to be linked to looting and other criminal activities. Resources are often taken by forces from collectors and artisans. In all areas where mines and miners are located, Wagner mercenaries maintain a strong presence. According to two sources in the diamond industry, mercenaries have killed local miners for their finds.

Gold and diamonds are not the only source of income for Wagner’s empire in the CAR. Another entity linked to Prigozhin is the timber company Bois Rouge SARLU, which has obtained government permission to log forests in the province of Lobaye. This company has also received significant preferential treatment from CAR authorities: in particular, the Ministry of Finance and Budget exempted Bois Rouge from a number of taxes and customs duties due to ‘the volume of investment in the project’, which amounts to 5.5 billion CFA francs (8.3 million euros). In addition, the company was exempted from concession rent, having been granted a three-year deferral on payment in 2022.

At the end of 2022, the company changed its name to Wood International Group SARLU, possibly indicating an attempt to evade sanctions or conceal its connection to the Wagner Group. The company’s new director is Guy Helmut Gnikama, who was previously associated with Bois Rouge.

One of Bois Rouge’s suppliers is the Russian company ‘Broker Expert,’ which also supplied equipment to the Sudanese company Meroe Gold Co. Ltd., which is, in turn, linked to Prigozhin’s organisations.

Deforestation is being conducted in areas historically inhabited by the indigenous Aka pygmy people, who lead a traditional, hunter-gatherer lifestyle. Although there have been no reports of violence against the Pygmies, their way of life is under threat due to the large-scale deforestation, which is forcing them to leave their lands in search of safer places. According to ‘All Eyes on Wagner,’ organisations defending the rights of the Pygmies are actively expressing their concern, but local authorities remain unresponsive. Without any kind of control over activities in the region, deforestation continues to worsen.





The Wagner conglomerate is managed by Dmitry Sytyi, who began as Prigozhin's representative in the country but successfully adapted to the new circumstances after the businessman's death. A graduate of a business school in Paris, Sytyi controls the mining companies, and oversees media and propaganda campaigns on social media which spread anti-Western propaganda and support pro-Russian leaders. Another figure important for Russian assets in the CAR is Evgeny Khodotov, who was previously the director of Lobaye Invest as well as Prigozhin's 'M Finance.'

Russian businessmen use frontmen – local citizens who act as the de-facto heads of Russian companies. For example, according to an analysis of telephone records conducted and provided by the Dossier Centre, Bienvenu Patrick Setem Bongwende is Sytyi's driver as well as, according to the CAR corporate register, the head of Diamville. The situation is the same with Bois Rouge.

After Prigozhin's death, the President of the CAR, President Touadera, told the Kremlin that he wanted to keep Sytyi and his team in the country, fearing that their absence would undermine his government's attempts to combat rebel forces.

One key figure in the CAR during Prigozhin's lifetime was Valery Zakharov, a member of Wagner appointed by Touadara as his military advisor. As national security advisor to the Central African Republic, Zakharov determined the direction of Wagner's activities in the region and advised the president on security matters. He was later replaced by another Wagner leader, Vitaly Perfiliev.

After Prigozhin's mutiny in June 2023, an individual from the Russian Foreign Intelligence Service, Denis Pavlov, appeared in the CAR. According to All Eyes on Wagner, Pavlov is working under diplomatic cover. His arrival in the CAR is a sign that the Russian state apparatus is gradually taking control of entities previously associated with Yevgeny Prigozhin.

In addition, security issues in the CAR are now being handled by Dmitry Podolsky, who recently arrived in the country. He had joined Wagner PMC's ranks and participated in hostilities against Ukraine, where he was seriously wounded, before being appointed security adviser to the President of the Central African Republic, replacing Vitaly Perfiliev. Podolsky, together with his assistants Denis Dredney and Maxim Povrosky, are involved in military operations and the recruitment of mercenaries.

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Spanish [Prof. proficiency]
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Источник: All Eyes On Wagner



In the picture: Dmitry Podolsky



Port Douala

As the CAR is landlocked, it is forced to rely on neighbouring countries to transport its natural resources. Douala is the largest port in Cameroon, and around 85% of the state's foreign trade turnover [passes](#) through it. [According to data](#) from Cameroon's customs service, goods valued at approximately 55 billion CFA Francs and destined for the Central African Republic are offloaded in port Douala each year. They are then transported to Bangui, capital of the CAR, via a passage between the two settlements.

This port is used for the [export](#) of gold, diamonds and timber harvested in the CAR under Russian control, and also for importing equipment and materials required for extraction and production. [Raw materials](#) for the [alcohol business](#) in Bangui are also among the shipments that come through Douala.

The Russian mercenaries provide security along the transport routes that connect Bangui and Cameroon, making them crucial in supporting the functionality of this supply chain. Still, incidents occur here as well. In November of 2024, Cameroonian truck drivers working on the route into the CAR [protested](#) and formed a blockade of the road. This was in response to Russian mercenaries allegedly murdering Mohamadou Awalou, a fellow truck driver. However, as early as December traffic had [resumed](#).

To oversee its operations, Russian business relies upon a web of companies acting through confidants. The company **International Global Logistics**, for example, previously [handled](#) logistical affairs in port Douala. However, [according to data from Jeune Afrique](#), they have now been replaced by Sobro SARL who also specialise in the loading, unloading and transportation of goods between ships and docks. Aside from managing Russian export and import in Douala, Sobro SARL sells its services to other companies as well. Recently, another company connected to Russian interests has [appeared](#) – **Ripperwood SARLU** who likely [will undertake](#) the extraction of timber in the border region of Cameroon, adjacent to the CAR.

Conclusions

Initially, the role of Russian mercenaries in the Central African Republic was limited to training the local armed forces. Their presence in the country was presented as technical aid through bilateral cooperation between Moscow and Bangui. However, with the amplification of insurgent activity during 2020-21 and the risk of losing central power, the role of the Russian mercenaries shifted radically. They became an integral part of military operations, having taken upon themselves the function of frontline units, and they played a decisive role in retaining President Touadéra's power. It was their participation that ensured the insurgents advancing on the capital were repelled. The stabilisation of the regime ultimately strengthened Russia's position as the country's main foreign policy player.

In time, the activity of the Russian mercenaries in the CAR began to extend beyond the realms of military aid. The Wagner Group established control over the state's key economic resources. This concerns strategic goldmining and diamond deposits, as well as other interests like logging and transport logistics. The operations of the mercenaries were accompanied by numerous cases of violence towards the civilian population, mass violations of human rights, extrajudicial killings and suppression of dissent. International human rights organisations have published reports detailing the scale and systematic nature of these crimes, but, regardless of all accusations, the Touadéra regime continues to grant the Wagner Group extensive authority and economic privileges.

Following the death of Yevgeny Prigozhin in 2023 the Kremlin began an active policy to consolidate control over Wagner's overseas operations. This was shown through the appointment of new pro-Kremlin supervisors and administrators, such as Denis Pavlov, who were called to secure the chain of accountability and loyalty to Moscow. This also testifies to the transition from an informal model of private influence to a more institutionalised format of control over the assets of the mercenaries, military and economic alike. Russia is strengthening its presence in the CAR at every level, from military to diplomatic, including efforts through cultural and humanitarian organisations.

The CAR currently remains deeply dependent on Russian military aid. The entities connected to the Wagner Group continue to use the country as a source of steady and often illegal income by managing natural resources, creating guarded produc-



tion zones, and controlling transport routes, particularly in the Cameroon border area where important logistical arteries are located. Following the departure of the French military contingent from the region, the Russian mercenaries became, in essence, the sole external force capable of providing support to the central government and enabling territorial control. This has strengthened both the military and the political influence of Russia in the CAR.

We can state with some confidence that it is in the CAR where the Russian mercenaries and their affiliated business have achieved their greatest success on the African continent. They were able to strengthen the position of the incumbent president, and also transform his regime into one that is nearly utterly dependent on Russia's presence militarily and economically. Moreover, Russian influence has permeated the culture as well. For instance, in the country's capital, Bangui, the Russian House operates under Dmitry Sytiy's management. This entity is engaged in an active propaganda campaign: it organises theatrical productions, exhibitions, cinema screenings, beauty pageants and educational activities, each one dedicated to "Great Russia". This serves to strengthen Russia's image as pro-

sector and partner, while simultaneously nurturing the local population's loyalty to Moscow and her representatives.

As a result, the Central African Republic has become an example of the most comprehensive and successful interference of Russia into the affairs of African states. Here they have succeeded in combining military, economic and cultural influence under the banner of one common strategy, securing a long-term presence and sustainable mechanisms for control.



Фото: CNN

SUDAN

The Emergence of Wagner in Sudan

During the presidency of Omar al-Bashir in Sudan, Russia was actively supplying the country with a wide variety of military equipment, including weapons and munitions. This was done in breach of the [sanctions from the United Nations](#), which Russia itself had approved and which [prohibited](#) the supply of such weapons. For instance, in 2011 Russian Mi-24 helicopters and Su-25 aircraft [were used](#) by government forces during the conflict in Darfur. The delivery of these arms sparked international criticism, with organisations such as Amnesty International [accusing](#) Russia of violating the UN's embargo on weapons supplies, and asserting that Russian armaments were being used against the civilian population. At the time of President Omar al-Bashir Sudan came under international sanctions, particularly from the USA, and also growing isolation due to the charges of [genocide](#), human rights violations and war crimes in Darfur.

[In 2017](#) Bashir yet again appealed to Russia for military aid. Despite the fact that no official agreements were reached, that same year military instructors from Wagner arrived in Sudan.

Even though al-Bashir had the support of Prigozhin's agencies, he [was overthrown](#) in 2019. Wagner had [consulted](#) with the government regarding control over the large-scale protests that had flared up at the end of 2018 and start of 2019. At that moment, the number of Wagner Group operatives in Sudan was small, and, as such, they were unable to protect their charge. The growing discontent of Sudan's citizens instigated the fall of the al-Bashir regime and the transition of power to an interim [government](#), which was followed by a period of political instability and escalation into [civil war](#).

The Kremlin and Russian mercenaries played a major role in the ongoing humanitarian crisis in Sudan. In April 2023, a power struggle [unfolded](#) between two power structures: the Sudanese Armed Forces and the Rapid Support Forces (RSF). The RSF is a paramilitary unit which was formerly subordinate to the government of Sudan and consisted of combatants who supported the government during the Darfur conflict.

On the one hand, Russia is officially supporting Sudan. [According to the Sudan Tribune](#), in April 2024 on behalf of Russia the deputy minister of foreign affairs Mikhail Bogdanov offered the Sudanese army "unrestricted qualitative military aid", which could include "specialised expertise and, potentially, a Russian presence in Sudan".

On the other hand, the mercenaries, who formally are not acting in the name of the Kremlin, are aiding the RSF. Specifically, they [provided](#) the RSF with surface-to-air missiles and other weapons, [likely](#) in exchange for gold from deposits under RSF control.

In supporting both sides, Russia only exacerbates the conflict. According to Amnesty International, Russian firearms are [widely used](#) by the two parties. From 2019 to 2023, the Kalashnikov Concern [exported](#) small arms into Sudan valued at no less than US\$ 5.8 million. The concern is partly owned by the state corporation Rostec. It works with a limited number of Sudanese partners and primarily [exports](#) firearms described as "sports, hunting or target rifles".

According to sources from Bloomberg in Sudan and the USA, during negotiations in 2024, Russia [was offering](#) Sudan an S-400 missile defence system as part of a deal for the right to establish a military base on the Red Sea. And as early as 2025, Sudan [announced](#) that Russia will not be hindered in constructing it.



The Connection to Prigozhin's Business Empire

Sudan became the first country where Wagner gained access to local gold. Meroe Good Co. Ltd. – a company running a gold mining business in Sudan – surfaced during the presidency of al-Bashir.

It was headed by Mikhail Potepkin, who owned 20% of the Moscow based computer repair company Anti Debugger LLC (liquidated since 2023). The remaining share belonged to Anna Bogacheva, who [was included](#) on a sanctions list in March 2018 for her work at Prigozhin's Internet Research Agency LLC (IRA).

For a time in 2019, Potepkin [was also part](#) of the board of trustees for the Foundation for National Values Protection, a Moscow analytics centre, founded by Alexander Malkevich, described in American mass-media as a Russian troll and propagandist. Malkevich was subject to sanctions in December 2018 for managing the site USA Really, an English-language resource financed by Russia and created by the Federal News Agency (FAN), who happen to share the same legal address as the Internet Research Agency of Prigozhin.

Meroe Gold is a [subsidiary](#) of Prigozhin's M. Invest. Andrei Mandel, the company's leader and a minor co-owner (0.1%) headed the company Eurogroup, which the publication Fontanka revealed [was connected](#) to Prigozhin.

Furthermore, as can be seen [from trade records](#), **Meroe Gold** used the services of other Russian companies connected to Prigozhin: LLCs Breeze and Broker Expert.

The Russian company Aviatrade LLC also [supplied](#) the Rapid Support Force (RSF) spare parts for drones through the company GSK, which is [run by the younger brother](#) of Mohamed Hamdan Dagalo ("Hemedti") – head of the RSF.

According to the EGRUL, (Unified State Register of Legal Entities) [Breeze LLC](#) is not currently under sanctions. The company [supported](#) the Sudan projects by supplying **Meroe Gold**. Broker Expert LLC is a company that [supplied equipment for logging](#) in the CAR, and also supplied the equipment necessary to help **Meroe Gold** to mine gold. This

company not only supported the African projects, but also [procured](#) equipment for the mercenaries fighting on the Ukrainian front.

Having obtained possession of a [gold refinery](#) near the city of El-Obeid, **Meroe Gold** became one of the main players in the Sudanese gold market, which has a [dearth](#) of larger companies and is primarily made up of artisanal and small-scale manufacturers. By buying up gold from local prospectors and refining it, Wagner gained access to valuable resources in Africa [for the first time](#).

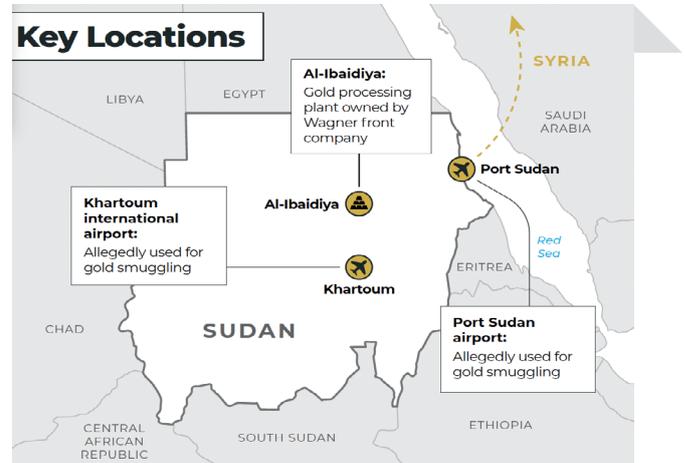
According to Sudanese legislation at the time, foreign companies that received licenses for exploration of mineral resources were required to create local legal bodies and transfer 30% of their equity to the state. The Omar al-Bashir administration, however, [released Meroe Gold](#) from this requirement and provided additional licenses for extracting and refining residues containing gold in three gold-mining regions. As revealed by the Blood Gold Report, Wagner [smuggled](#) gold out of Sudan valued at around US\$ 1.9 billion in 2021.

After sanctions were imposed upon **Meroe Gold**, the company gave the refinery away to another firm- **Al-Solag Mining Company** (Al Sawlaj in some sources). **Al-Solag** is [a new front](#) for the owners of **Meroe Gold**, though their legal body also [fell under UK sanctions](#) in 2023. Moreover, it became [known](#) in the spring of 2023 that the refinery had [suspended](#) operations due to a new wave of civil war.

Connection to the Sudanese Elite

Wagner and its affiliated entities managed to establish an extensive network of connections amongst the Sudanese security officials which could significantly streamline the resumption of their operations in the event of a freeze in the conflict. The companies **Esnaad Engineering** and **Aswar Multi Activities** became examples of such cooperation, being purportedly controlled by Sudanese military intelligence.

The company **Esnaad** received tools and materials out of Russia from firms connected to Yevgeniy Prigozhin. In turn, M Invest – a company formerly responsible for Prigozhin’s projects in Sudan – secured a contract worth several million US dollars with **Aswar Multi Activities** for providing security services. By the terms of the contract, signed prior to the beginning of the civil war in Sudan, M Invest paid **Aswar** an advance sum of US\$ 200,000 and committed to continue paying US\$ 100,000 dollar increments on a monthly basis. The company also took upon itself the costs for **Aswar**’s employee salaries, taxes and duties, and also a surcharge of US\$ 500 dollars for every Wagner-connected employee that **Aswar** would help to deploy in Sudan. The aircraft belonging to **Meroe Gold** were granted the right to use military signal codes and land on the military base in Khartoum.



Source: CNN

Conclusions

The presence of Russian mercenaries in Sudan gives us grounds to believe that rather than their operations being primarily oriented on providing safety or defence to Kremlin-allied regimes, they were, instead, attempting to establish and widen control over the country’s precious natural resources – first and foremost, over gold deposits. During the al-Bashir regime the Russian mercenaries (predominantly from Wagner Group) began to infiltrate the economic environment of Sudan, endeavouring to start up a scheme to mine and export gold. These efforts did not cease even after the deposition of al-Bashir in 2019, testifying to Russian institutions’ long-term interest in an economic presence in the region, regardless of changes in power.

The mercenaries did not limit themselves to working exclusively with the central government. On the contrary, Wagner representatives actively built

relationships with other various armed factions as well, including insurgents. This strategy allowed the mercenaries to maintain influence in the country even amidst political turbulence and changes in the ruling elite. One of the key elements of this influence became the founding of the company **Meroe Gold** which gained control over gold extraction. Another was the refinery work in the El-Obeid region. Through these frameworks, the export of gold was made possible, likely bypassing sanction restrictions in the interests of the Russian participants themselves, and their benefactors in Moscow alike.

Following the start of another civil war and an extremely volatile political environment, Russian mercenaries did not leave Sudan – they adapted their strategy. They began to establish relations with one of the more influential participants of the conflict – the Rapid Support Forces (RSF), led by



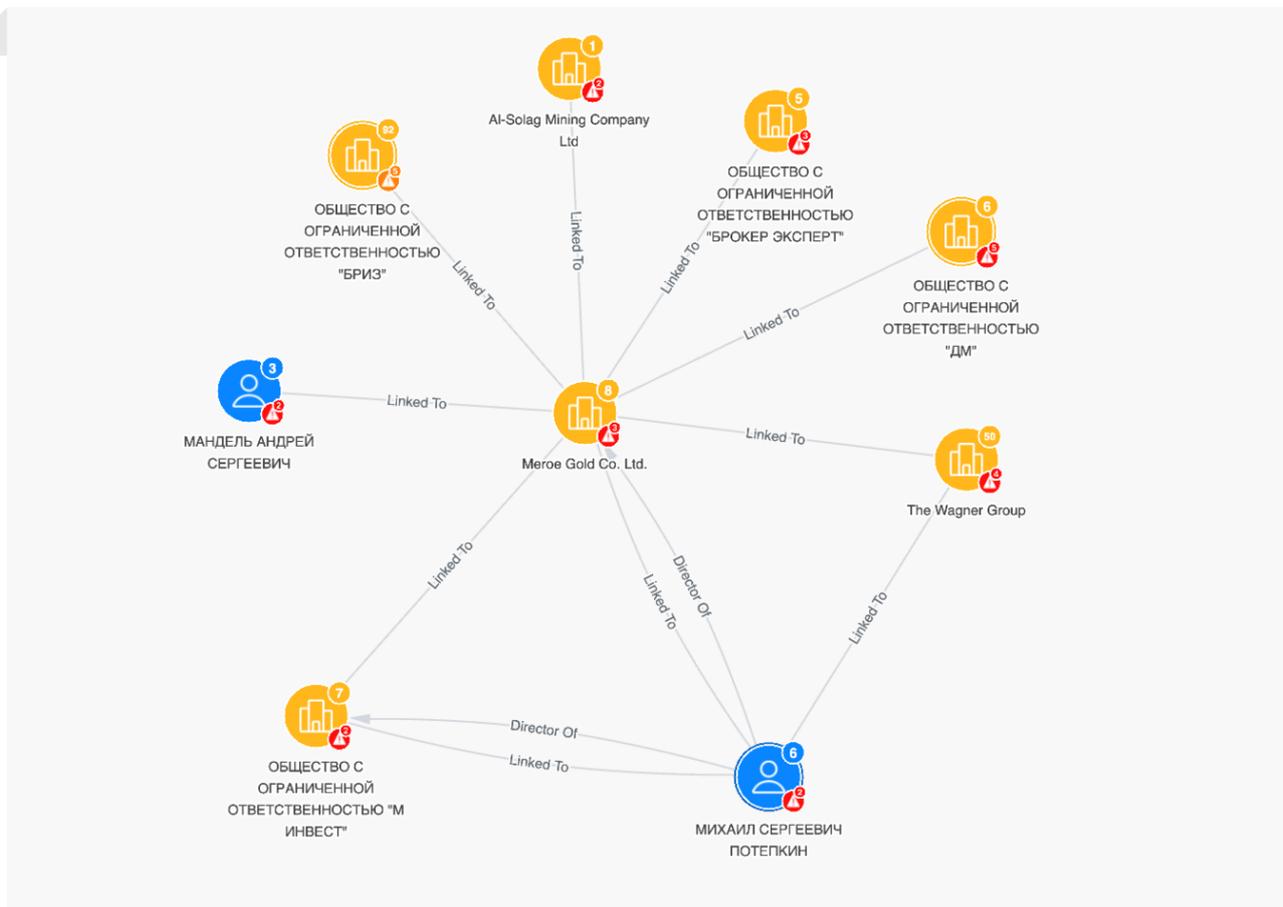
Mohamed Hamdan Dagalo, more commonly known as “Hemedti”. As outlined above, the Russian mercenaries provided the RAF with political support, and also logistical and military assistance including the transport and supply of arms. In return, the RSF, being in control of a number of key regions, permitted the continuation of operations to extract and export gold, securing a constant flow of resources for the Russians.

However, at the same time Russia also maintained diplomatic and military ties with the official government of Sudan. This was shown in part by the ongoing negotiations on constructing a Russian naval base on the Red Sea coast, and also by the supplying of weapons to government forces. Such duality of policy does not appear contradictory – quite the opposite. It demonstrates the approach of Russian foreign policy in the region as being as flexible and pragmatic as possible when engaging with the various actors in the conflict. This means that Russia benefits, regardless of who controls the territory at any given moment in time.

The situation in Sudan demonstrates how the interests of the Russian mercenaries connected

to business structures can diverge from the Kremlin’s official line, without contradicting it at a strategic level. In fact, by diversifying channels of influence, Russia can maintain leverage, both in the event of a change in power as well as during times of armed conflict. While the civil war significantly complicated direct control over gold mining and disrupted supply chains, the Russian mercenaries maintained their presence in the country, widening the scope of services they provided – from resource extraction to participating in the illegal supply of weapons.

This demonstrates the sustainability and adaptability of the Russian interference model, which could easily be replicated in other African countries. Sudan stands as an example of a conflict where Russia plays on multiple sides at the same time, demonstrating a willingness to collaborate with any powerful player able to maintain control over resources.



MALI

The Emergence of Wagner Group in Mali

Having first [appeared](#) in Mali during 2021 in place of the recently departed French contingent, the Russian mercenaries became the main military partners of the local juntas, who had seized power shortly before.

However, the mercenaries' emergence in Mali was preceded by Prigozhin's [managers](#): Andrei Mandel, the head of M Invest, one of Prigozhin's key entities in Africa; and [Sergei Laktionov](#), a geologist who [had worked](#) in the Prigozhin's companies in the CAR. Presumably, Mandel's task was to secure gold-mining agreements whilst Laktionov was to head up geological exploration.

Initially Prigozhin's men were expecting to apply the very same strategy used in other African nations: in lieu of financial compensation for PMC services, the Russians requested access to gold deposits. Prigozhin's messengers [set their sights](#) on the [Menankoto](#) mine, where the Canadian gold mining company **B2Gold** had previously operated, but were [driven](#) from the deposit in the wake of the military coup in 2020. Lamine Traore, former Energy Minister of Mali, had created **Little Big Mining**, a company that was supposed to replace the Canadians. Abubakar, a cousin of Lamine Traore, [became](#) one of the company's founders. Laktionov personally [attended](#) several of the deposits and conducted negotiations with Lamine Traore. **B2Gold** re-established control over the deposit at the end of 2021, which indirectly confirms the failure of negotiations between Prigozhin's people and Traore.

Nevertheless, the Russians were not going to give up. Abubakar Traore's old acquaintance Bakin Gvindo was enlisted to help, and he [set up](#) the company **Alpha Development** to obtain licenses for mining gold. One source from The Africa Report [commented](#): "It is likely that Abubakar Traore himself suggested Gvindo to the people from Wagner when they were looking for a mediator in Mali". Shortly thereafter a second company was founded – **Marko Mining**. However, here too the Russians met with failure. Seeing the examples of the CAR and Sudan who had given their gold deposits to Wagner, Mali officials refused to allow the

Russians to gain control over gold mining. [According to the opinion](#) of one of The Africa Report's sources "the colonels want to prove that they retain sovereignty within the country and do not want the Russians to become apparent everywhere, as in the CAR."

At the end of September 2022, the company **Gold Resources du Mali**, belonging to Gvindo, [received](#) two three-month exploration licenses in the regions of Dianguemerila-West and Ourou Ourou in the Yanfolila district. It remains unclear whether or not the founder of **Alpha Development** conducted exploration in these regions on behalf of its Russian partners or as an independent party.

Regardless, the Russian mercenaries received pay not in gold, but in cash. [According to data from the US National Safety Council](#), the junta paid them up to US\$ 200 million during the period from December 2021 to June 2023. Wagner was actively helping the junta to seize territory in the south of the country. Throughout 2023 Wagner Group operatives helped to regain control over at least three gold deposits to the south of Bamako, Mali's capital: In Balandougou, 20 kilometers from the border with Guinea, one in Koyoko of the Kangaba region, and a deposit near Yanfolila.

Back in 2022 Laktionov [came](#) to the Mali government with the idea to nationalise gold deposits. By all accounts, these negotiations were not crowned with success, though some concessions were made. On the 8th of August 2023, Mali [adopted](#) a new mining code that increased the share of the state and private Mali investors in new projects. According to the new code the government receives a 10% share in mining projects, and also the opportunity to buy out an additional 20% during the first two years of commercial production. Additionally, a 5% share can be transferred to local residents, which increases the share of the government and private investors from Mali up to 35% in new projects as opposed to the former 20%. It can be assumed that the main beneficiaries of this change were the Russian mercenaries, since the increasing income of the Mali government could end up in their pockets.



In November 2023, the Mali government announced the signing of an agreement with Russia to construct a gold refinery in the capital Bamako. The refinery in question is capable of refining up to 200 tons of gold per annum.

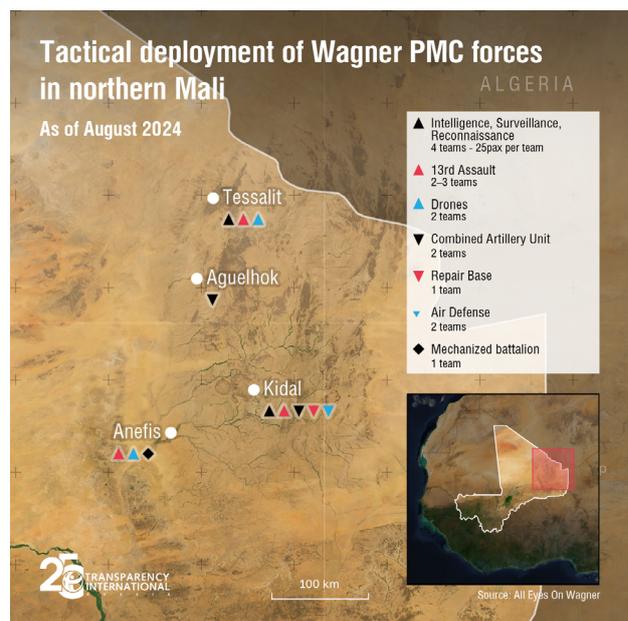
In this manner, prior to Prigozhin's death Wagner's operations in Mali ran with varying degrees of success. On one hand, Wagner did not manage to obtain direct access to gold mines. On the other, the Russians were able to establish control over several deposits to the south of the country as well as lobby the amendment of the mining code, which could potentially bring more income to the mercenaries – not directly by mining and selling gold, but indirectly through government agencies.

What happened following Prigozhin's death?

The ACLED, which monitors military operations in Africa, [recorded](#) an 81% increase in violence involving Russian mercenaries in Mali since Prigozhin's death (compared with the previous year), as well as a 65% increase in death count.

The recorded increase in violence may be due to how, after Prigozhin's death, Russian mercenaries turned their attention to the north of Mali, which is [rich](#) in gold deposits. This part of the country is under the partial control of the rebel coalition "Permanent Strategic Framework for Peace, Security and Development" (CSP-PSD), consisting predominantly of Tuaregs. In November 2023, Russian mercenary forces [helped](#) the Malian army [take Kidal](#), a major regional centre in the northeast, which most likely provided the opportunity to take control of local deposits. In February 2024, mercenaries [seized](#), along with the Malian army, control of the largest gold deposit in the northern region of Gao, the Intahaka artisanal gold mine. [According to](#) one source, Russian mercenaries control the mine and charge local miners an access fee.

However, further mercenary advancement in the north was inhibited. [In July 2024](#), a group of Russian mercenaries [was ambushed](#) by rebels near the Algerian border. As a result, 84 people [were killed](#) and an undisclosed number were taken captive, according to the rebels. The outlet Baza [estimated](#) losses of between 20 to 50 people, while BBC News Russian [reported](#) 82 casualties. This indicates





that not all of north Mali's gold mines have been reached by the mercenaries. Despite taking Kidal, local rebel forces, namely the CSP-PSD and "Jamaat Nusrat al-Islam Wal Muslimeen, (DNIM)," who are linked to Al-Qaeda, pose fierce resistance to the Malian junta and the Russian mercenaries. That said, it can be assumed that it is the desire to gain access to the region's abundant gold resources that motivates the attempt to seize rebel-controlled territory.

Following the Russian battalion's defeat, a **counter-offensive** was launched by the DNIM during which several cities were seized by the Islamists. These included Yélimané, Melgué and Nioro du Sahel in Kayes region, Kouakourou in Mopti region, Diallassaga in Bandiagara region and Gossi in Timbuktu region. Moreover, in September of the same year, the DNIM **attacked** a police academy and seized Bamako's airport, killing roughly 90 civilians according to ACLED estimates.

Additionally, the Russian mercenaries' military strength was affected by the start of the Ukrainian offensive in Russia's Kursk region, which led some mercenaries based in Mali to be **redeployed** in Russia. Thus the situation of the "African Corps" in Mali remained difficult. Regarding escalating conflict with the Islamists, there are two possible solutions for the Russian side: either to withdraw in order to save personnel and resources, or to suppress the rebels by strengthening their military contingent. In September, it **became evident** that the second solution was employed, as a convoy of military equipment was spotted in Kidal. It is absolutely possible that this particular unit was sent to support Russian forces in the region.

Even before Prigozhin's death, the Wagner group's operations **were handled** by **Ivan Maslov** ("Miron") who is responsible for military procedures and is under sanctions, as well as Andrey Ivanov ("Kep"), who leads negotiations concerning access to gold mines. Ivanov is a **veteran** of Wagner operations in Syria and in the CAR, and he too faces **sanctions**. Presumably, both occupy head positions among the Russian mercenaries.

While the mercenaries have not yet achieved significant success following changes in strategy, on the economic front they continued to advance the idea of nationalising gold mining enterprises. In particular, the Malian government is **considering** the possibility of nationalising deposits near Lulu Guncotot, which are being cultivated by the Canadian company Barrick Gold. In 2022, these deposits

produced 19.4 tons of gold, or almost a third of the total 66 tons produced in the country.

Mali has recently used various methods to put pressure on the Canadian company. Firstly, security forces **arrested** several of their employees. Secondly, the Malian government **declared** US\$ 512 million unaccounted for in taxes and dividends from the Canadian company. Also, the Yatela mine in western Mali, previously under joint ownership by Canada and South Africa, was successfully **nationalised** by the Malian government. The mine has been closed since 2016 due to the falling price of gold. It is altogether possible that the Russians, who have for so long been pushing for nationalizing gold deposits, are behind these government actions. This is because nationalization would ensure they receive a greater income from these gold deposits.



Conclusion

At the current moment, it is premature to speak of either any significant failure nor any major success with regard to Russian mercenaries and their related business structures in Mali. The situation remains ambiguous and develops only incrementally.

On the one hand, Mali is a more institutionally stable state compared to the Central African Republic and Sudan. There is a higher level of governmental centralisation as well as a larger and more organised gold market. What this means is that it is more difficult for Russian structures, including mercenary groups, to gain direct control over or take part in gold mining in Mali. There are too many competitors, which makes corruption schemes more difficult to establish. They must also consider the interests of local bureaucracies.

On the other hand, Mali became a new priority for Russian foreign policy in Africa, particularly after Yevgeny Prigozhin's death. Several visible signs attest to this, such as the intensification of Russian-supported military operations, an increase in arms supply to Mali from Russia and an upsurge in the number of official agreements and statements between Bamako and Moscow. Unlike in Sudan, where Russia's official interests and those of its private military companies may diverge, in Mali, the Kremlin and Russian mercenaries are more in sync, supporting the military junta that came to power following the coup. This convergence of interests makes interacting with the authorities in Bamako more predictable and, in all likelihood, may create favourable conditions for economic and political power.

Nonetheless, compared to the CAR and Sudan, Mali represents a different approach to both warfare and organising economic actions. Although the current ruling military regime has demonstrated clear loyalty to Russia, there is thus far no confirmed evidence that Russian companies or structures have achieved direct access to the country's gold mining industry. Furthermore, Russian mercenaries in the northern regions of Mali faced strong resistance from local groups who possessed enough experience and resources to effectively defend their territories.

Irrespective of these challenges, there are currently no signs of Russia planning to scale down its presence or activity in Mali. In fact, it is possible to mention the opposite: a gradual increase and diversification of approaches. In instances where

direct access to gold mining remains challenging, political means are being used to reallocate control of resources. This refers in particular to lobbying for nationalizing gold deposits as well as changing legislation to allow preferential treatment of foreign companies associated with Russia, both when allocating licenses and creating joint enterprises. Although this approach is more time-consuming than the alternative (forceful intervention), it also has the potential of providing more robust and long-term access to resources.

As a result, Russia's approach in Mali appears more integrated compared to other countries in the region. It includes more nuanced work with government authorities, engaging with regulatory frameworks and economic structures as well as military and business ventures. Whether this approach will prove a success, or a failure will be made clear only in the years to come.



CONNECTIONS WITH THE UAE



Context

Following its creation more than half a century ago, the United Arab Emirates (UAE) has evolved to become an important business hub spanning cultures and nations. The country has developed into both a key regional economic player and an international financial centre. This has been aided by attractive conditions for foreign investors and specialists, as well as significant oil reserves. One of the key commodities of the UAE is gold, which has seen the Emirate of Dubai in recent years becoming a key centre for the global gold market. It is here that the majority of gold extracted from African mines comes for subsequent purification. After refinement, the metal is shipped via Dubai to primary markets in Europe, the Middle East and Asia.

In March 2022, the Financial Action Task Force on Money Laundering (FATF), an international organisation carrying out actions against the financing of terrorism and money laundering, placed the UAE on its “grey list.” As a result, the country was pushed to strengthen control over financial movement and implement a plan for eliminating identified violations. Among related top-priority measures were counter-measures with schemes to evade sanctions and tighten control over the gold trade, which plays an important role in the country’s economy.

The central problem concerning imports of African gold into the UAE is the fact that a substantial part is undeclared by the African countries. In 2022, 66.5% of the gold imported from Africa to the UAE (equivalent to 405 tonnes) was smuggled out of African countries. In the period between 2012 and 2022, the quantity of African gold in the UAE that was not declared during export amounted to 2596 tonnes. Experts at the Swiss fund SWISSAID estimate that this amounts to 115.3 billion US dollars, according to the average gold price over the past 11 years.

In February 2024, the FATF removed the UAE from the “grey list,” noting that the country had fulfilled all the organization’s requirements. However, the UAE remains on the EU list of countries with strategic weaknesses in the anti-money laundering and anti-terrorist financing systems (AML/CFT).

This chapter discusses why there remains a risk of Russian financial violations and sanctions evasion in the UAE. Among these undeclared imports to Dubai is gold being mined under Russian control from deposits in the CAR, Sudan and Mali.

CAR

The UAE is the main destination of gold exports from the CAR. According to the World Integrated Trade Solution (WITS), in the period between 2022 and 2023, approximately US\$ 97 million worth of raw gold was exported by the CAR. 41% of raw gold exported from the CAR was undeclared in 2023, with 49% undeclared in 2022 according to statistics. Evidence from Transparency International states that gold smuggled from the CAR often enters the UAE not directly, but via third party countries like Cameroon, Sudan and Chad.

Furthermore, the CAR exports not only gold but also diamonds to the UAE. The diamonds mined in the Central African Republic are of uniquely high quality, however their export was banned until 2024 in line with Kimberley process regulations, due to the long-term armed conflict in the country’s east. The Kimberley process is a framework aimed at preventing the trade of “conflict diamonds,” which refers to precious stones sold to finance rebel movements. Diamonds from most territories where the Diamville company operates were prevented



from being traded internationally in accordance with these measures. In 2024, the Central African Republic was **no longer considered** to be in conflict and so was authorised to export diamonds in full capacity.

However, diamonds produced by Diamville evaded the Kimberley restrictions despite African workers **reporting** human rights violations in their mines.

Sudan

Following the separation of South Sudan, a significant number of oil reserves were lost to the Sudanese economy. As a result, gold has become the country's main source of export revenue. **According to the Central Bank of Sudan**, gold exports generated just over US\$ 2 billion and constituted 45% of all Sudanese exports in 2022. Sudan exported US\$ 1.5 billion worth of gold in 2024. Despite a considerable fall in production, Sudan remains one of the main gold exporters in Africa.

Civil war is not an obstruction to gold trade between Sudan and the UAE, even if it does not take place on the same scale as before. During the time of Omar al-Bashir, **gold mines** in Darfur came under the control of Hamidi due to his proximity to the dictator. By 2023 and the beginning of the conflict between the RSF and the Sudanese army, Hamidi **controlled** most of Sudan's gold production. Gold smuggled through the UAE made Hamidi one of the country's richest people, turning the RSF into a threat as it enabled him to finance the deployment of his forces in the struggle for supremacy over the Sudanese army. According to a UN expert group, Hamidi gave support to at least **50 companies** in various industries, both in Sudan and abroad.

As well as for mining, Sudan has also been used as a logistical hub for gold transport. It is worth noting that the supply of military arms to the RSF expressly **passed** through Russian military bases in Syria. In light of the recent fall of the Assad regime in that country, the future of the Latakia Russian military base remains **unclear**. This logistical corridor remains inaccessible **at the current time**.

Mali

The airport in Bamako, Mali's capital, is **known** to be a hub for smuggling gold not only from Mali but also from adjacent countries. **According to a government official** from Guinea, Mali's export laws are unique in that only 50kg out of every 200kg of exported gold is **taxed**, so long as all shipments are carried out within one month. Thus, 75% of gold exports from Mali may **not be taxed**. Furthermore, in Bamako, there is already an **established** system of gold smuggling: "In Bamako airport, there is a smuggling system which operates with the cooperation of customs officials and the police. This allows traffickers to pass through customs control easily and fly to the Emirates with several kilograms of gold in their suitcases." This method of smuggling is by no means new: although the UAE **imported** US\$ 1.52 billion worth of Malian gold in 2016, Mali documented only US\$ 216 million in exports. Thus, the gold exported through Bamako includes not only Malian gold, but also gold smuggled from different countries.

The main intermediary **helping** to smuggle gold into the UAE on the Russian side is Kossa Dansoko. Dansoko sells his gold in Dubai and receives cash, which is either kept in offshore accounts, or smuggled back to Bamako where it is exchanged directly with partners without using banks.

Furthermore, Russian mercenaries have enlisted the support of **Kratol Aviation**, an aircraft company based in the UAE. Russian mercenaries **use** airplanes supplied by **Kratol** to transport personnel and equipment between the Central African Republic, Libya and Mali. In particular, this company allegedly **helps** transport gold from Mali to third-party countries, including the UAE. In Mali, mercenaries are using Kratol aircraft in Mopti Airport, as well as in the small airport in Sikasso. The **Kratol representative** in Dubai is Vladimir Tolstykh. He still resides in the UAE, and is presumably facilitating illegal gold trade for the benefit of Russian interests. The second key person representing Russian interests in **Kratol** is Mikhail Krasilshchikov. According to open sources, Mikhail Krasilshchikov left Russia in 2023.



Judging by data obtained from social media sites, photos and comments which we have discovered, Mikhail Krasilshchikov is a former “Kogalymavia” pilot. Additionally, Krasilshchikov is a founding member of the company “TK Avia.”

“Zitotrans” is a cargo transportation company belonging to Valerii Saveliev, a Ural-based businessman who allegedly [has connections](#) with the FSB and organised crime. The company’s aircraft,

according to data from MenchOSINT, [frequently](#) operates flights from Bamako to Russia, [as well as](#) to Port-Sudan and other locations in Africa where Russian forces are deployed. We can only speculate about what exactly these vessels are transporting, but the scheme is likely to resemble the following: weapons and military equipment are imported into Mali, and gold and other valuable resources are exported out of the country.

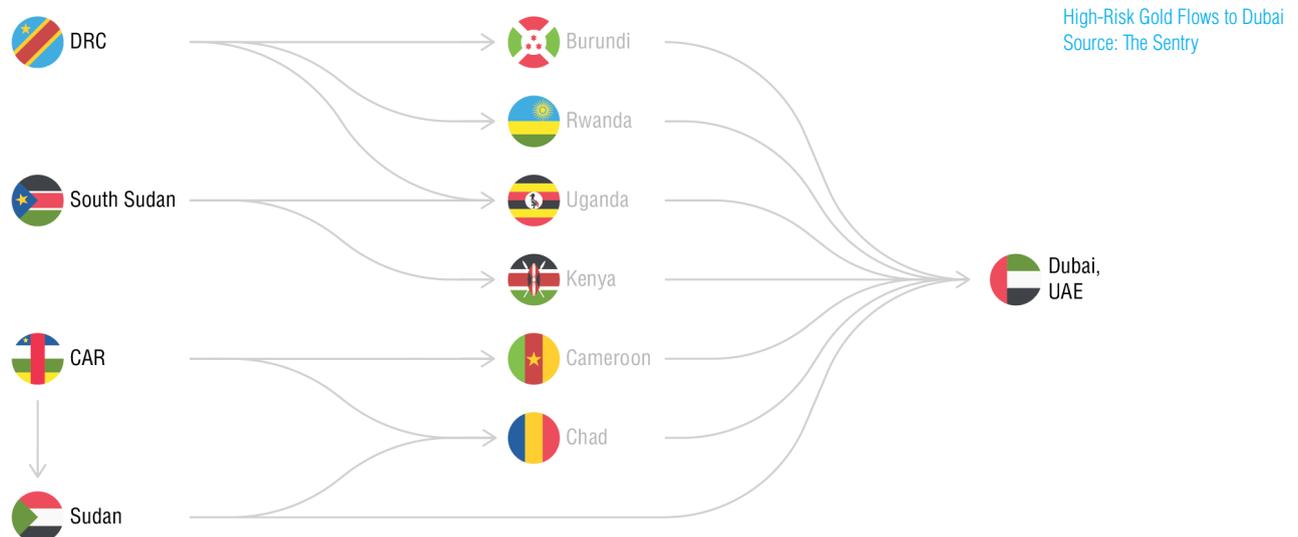
Conclusions

The above analysis illustrates a clear and durable structure regarding illegal circulation of African gold, in which Mali, Sudan, CAR and the UAE play a crucial role, but Russian interests are ever-present in every component of the system. Formally, the UAE has been granted exemption from the FATF’s “grey list,” as they have demonstrated their willingness to strengthen their financial control. However, in practice, the Emirates continue to play a key role in this illegal trade, serving as the main hub for African gold, the largest part of which still enters the country illegally and with a minimal level of transparency. This creates a welcoming environment for sanctions evasion, including those relating to the Russian structures operating in the region.

Having lost its direct access to the global market after 2022, Russia has intensified its economic and military ties with African countries while in parallel building informal resource supply chains. In this scheme, gold has become not only a funding

source for proxy groups and PMC operations, but also the currency fuelling Russian presence in the region. Airports in Bamako, Port-Sudan and small regional points of departure, together with companies such as Kratol Aviation and Zitotrans, ensure logistical flexibility and secrecy. This allows people and technology, as well as strategic goods, to be relocated: gold flows in one direction, and weapons in the other.

The UAE, despite efforts to legalise trade, remains vulnerable to its infrastructure being used for high-risk operations, whether that be smuggling, sanction evasion or supporting armed factions. Thus, the current structure of the African gold trade forms a distinctive axis with Russian participation, where every element, be it Dansoko, the middle-man, or mercenary companies or airlines, works in collaboration with other elements and strengthens Russian influence in Africa.



MADAGASCAR

The history of Wagner's presence in Madagascar fundamentally differs from the situation in Mali and the CAR, as the main weapons used by pro-Russian forces on the island are not mercenaries, but political strategists and media resources.

The history of Wagner's presence in Madagascar fundamentally differs from the situation in Mali and the CAR, as the main weapons used by pro-Russian forces on the island are not mercenaries, but political strategists and media resources. It is possibly for this exact reason that, at the current moment, there is no significant Russian presence there. In the three cases described above, Russian business interests rely on a forceful military presence. Despite the fact that there were mercenaries present in Madagascar, their numbers were small and their operations were limited to the protection of Russian geologists and political strategists. They did not participate in military activities. It is important to note that, in contrast to the CAR, Sudan and Mali, there are no internal civil conflicts in Madagascar at the current moment, and local authorities are in less need of military resources.

Back in 2019, it was revealed that Russian political strategists were [helping](#) to run voting campaigns for presidential candidates. In the spring of 2018, according to data collected by the outlet [Proekt](#), a team of Russian political strategists arrived in Madagascar. These consultants had worked on behalf of a group of companies belonging to Yevgeniy Prigozhin. They carried out opinion polls, planned election campaigns and printed promotional materials. The Russians brought equipment with them, including printers, and [planned](#) the mass dissemination of newspapers of up to two million units per month.

At first, the Russians placed their bet on the acting president, Hery Rajaonarimampianina, but he turned out to be too passive and [requested](#) US\$ 100 million in military and humanitarian aid. This included firearms, weapons and uniforms. [According to](#) one of [Proekt's](#) sources, after this request became clear, Rajaonarimampianina's chances of being re-elected became slim.

In the second round, they switched their support to favour Andry Rajoelina. He won the elections, but publicly denied that Russia had helped him, [despite](#) leaked documents claiming otherwise.

In parallel with providing technology for political strategy, the Russians tried to infiltrate Madagascar's chrome extraction industry. In 2018, the Russian company [Ferrum Mining](#) created a joint enterprise with the Madagascan state company [Kraomita Malagasy \(Kraoma\)](#), which is currently in severe [debt](#). This [took place](#) in 2018 after Rajaonarimampianina's visit to Moscow. This is how Russia first began to obtain access to Madagascar's resources.

In cooperation with an agreement signed in August 2018, [Ferrum Mining](#) and [Kraoma](#) [formed](#) a new joint company, [Kraoma Mining](#), of which 80% of shares [belonged](#) to [Ferrum Mining](#). From the Russian record [it is clear](#) that [Ferrum Mining](#) is a company with authorised capital limited to 10,000 rubles, registered as a micro-enterprise. Such a legal entity could not have become the Madagascan company's de facto partner. Supposedly, the genuine partner could have been [Stork International](#), from which [Kraoma](#) [took](#) an advance payment of US\$ 6 billion for ore shipments; however, the advance payment soon turned into debt, as [Kraoma](#) did not fulfil its duties. An indirect potential confirmation that [Kraoma's](#) real partner was not [Ferrum Mining](#), but [Stork International](#), was the [appointment](#) of Simon Seva Mboiny, the former representative of [Stork International](#) in Madagascar, as the director of the joint enterprise.

Towards the end of 2018, workers at [Kraoma](#) announced a strike in protest against unpaid salaries. Employees were concerned at the unexpected partnership with Russia, and this labour unrest led to production being ceased. In actual fact, the mine [stopped](#) working as a result of the strike, which was caused by the actions of its new Russian managers.

It is worth mentioning [Artem Tolmachev](#), an [employee of Ferrum Mining](#), who is also connected with other structures belonging to Prigozhin, in particular the LLC "Service K" and [Bois Rouge](#).

The Madagascan corporative registry shows that one of [Kraoma Mining's](#) directors is Dmitry Akulinin.



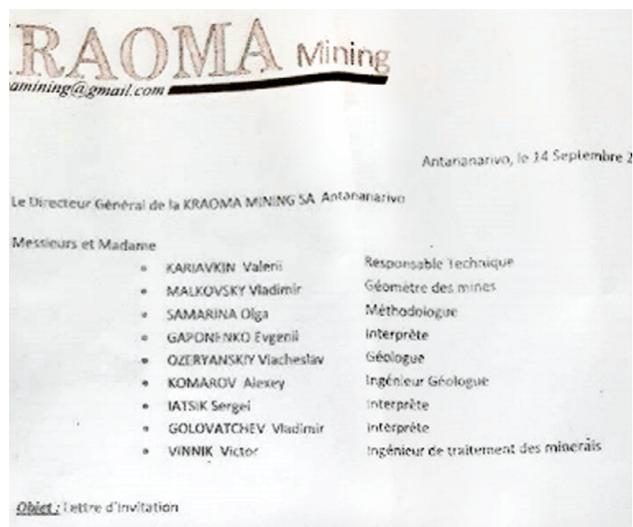
A person with the same name and surname is the first vice-president of the Bank of Moscow, and has been on the [international wanted list](#) since 2011, along with the bank head Andrey Borodin. According to a version of events, from 2008-2011, Borodin and Akulinin [stole](#) more than 14.5 billion rubles from the bank. In 2011, Borodin left Russia and moved to Britain, after which he was [arrested](#) in absentia by the Russian court and an international warrant was declared. However, in 2016, it was revealed that Interpol had changed the warrant, and [deleted](#) his name from their database. In 2020, however, Borodin and Akulin were [sentenced in absentia](#) in connection to the case: Borodin to 14 years and Akulinin to 12.



Source: All eyes on wagner



Protest by workers of Kraoma Mining in Madagascar.
Source: KRAOMA-Kraomita Malagasy Facebook page.



Photograph from the registry
Source: All Eyes on Wagner

CONCLUSION

Russian mercenaries have become an integral element of Russia's strategy to strengthen its influence in Africa. The military contingents themselves provide the necessary conditions for the effective and long-standing presence of Russian dirty business in Africa.

Institutions with close ties to Russia have been able to establish control over resources and create robust schemes to evade sanctions, facilitated by a combination of military force, economic benefits and political pressure. The Central African Republic, Sudan and Mali offer several different scenarios, demonstrating the varying degrees of success of this model, but in all three cases, the same logic is applied: resources in exchange for defence and political loyalty. This is evident from the brief description of the situation in Madagascar: in the absence of military hostilities and violence, Russian business struggles to consolidate its position in Africa.

Despite international efforts to restrict the activities of these groups, including sanctions and investigations, the mechanisms employed by Russian expansion in Africa remain flexible and adaptable. The transfer of the PMC to the control of the Russian Ministry of Defence and the formation of the paramilitary "African Corps" merely reaffirmed the Kremlin's vested interests in maintaining and institutionalising this model.

Amidst weakening state institutions, corruption and conflict, Russian interference in Africa poses long-term risks to human rights and regional stability. In order to combat these forms of influence, it is necessary to consider not only sanction policy, but also a complex approach that includes support for civil institutions, transparency and local initiatives in the affected countries.

The CAR represents the most prominent example of success for Russian mercenaries and business in Africa. Here, Russian institutional structures provide Touadéra with support against the insurgent forces, in return gaining access to key assets within the country. A durable and long-standing network of interconnected organisations has thus been formed: from security companies and logistics operators to export-oriented institutions. This model, based on an exchange of security for resources, ensured a long-term Russian presence in the country and a high level of dependence of the authorities on the mercenaries' services.

The situation in Sudan differs from the others with regards to its greater level of fragmentation, but is no less instructive. Russian institutional structures, after starting with support for Omar al-Bashir's regime, were able to adapt to the changing political climate and maintain their influence within the conditions of the transitional period and civil war. Moreover, in Sudan, Russia began to intervene on both sides of the conflict, supporting both the central power and their rivals at the same time. This diversification allows Russia both to minimise risks and to ensure continued access to gold deposits, ensuring reliable profits even amidst instability. The case of Sudan is especially effective at demonstrating the way in which the economic interests of private institutions can be organically combined with the Kremlin's flexible foreign policy line, where pragmatism takes precedence over ideology.

In Mali, however, despite the active efforts and participation of Russian mercenaries in military operations in support of the ruling junta, they were not able to achieve a similarly successful outcome. Resistance from local insurgents and the government's apprehension towards transferring assets from the mineral extraction industry to foreign actors led to the fact that the strategy previously implemented in the CAR did not yield the same results. However, even in this case, Russian representatives maintained their concerted efforts to integrate themselves into local political and economic institutions, including through proxy companies and intermediaries.

Particular attention ought to be paid to the key role played by the United Arab Emirates, which is a major hub for the export of Africa gold mined under the control of Russian institutional structures. Despite international sanctions, supply chains through the UAE allow these restrictions to be circumvented, and resources to be converted into currency, which is used to finance further operations in Africa and in different areas, including the war in Ukraine.



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