

Congo ruler runs up

Land left in squalor by champagne president

■ **Tony Allen-Mills**
New York

IN two short visits to New York last year the leader of one of Africa's poorest countries spent \$400,000 (£207,000) on hotel bills as members of his entourage drank Cristal champagne and charged tens of thousands of dollars of room service to accounts paid by the Republic of Congo's mission to the United Nations.

Detailed hotel bills obtained by The Sunday Times showed that a Waldorf Astoria suite occupied by Congo President Denis Sassou-Nguesso, chairman of the African Union, recorded £12,000 of room service charges during a five-night stay last April that cost his country £73,000.

When he returned to the same hotel during the UN general assembly meeting last September, almost £14,000 of room service was added to his bill during another five-night stay. His entourage, including several members of his family, occupied 44 rooms which together ran up a bill of £130,000 – comfortably more than the £106,000 that Britain gave the country in humanitarian aid last year.

The latest revelations about Sassou-Nguesso's lavish travel habits have appalled anti-corruption campaigners and embarrassed the World Bank and the International Monetary Fund.

Last year they agreed to a large debt relief package on the grounds that the country – known as Congo-Brazzaville to distinguish it from its neighbour, the Democratic Republic of Congo – was too poor to meet its financial commitments.

"In what sense are these hotel bills a good use of Congo-Brazzaville's money when the majority of the population doesn't have electricity or drinking water?" said Sarah Wykes of Global Witness, an anti-corruption group active in the region.

More than 70% of Congo-Brazzaville's 3m people live on less than £1 a day, despite the



Grand suites at the Waldorf Towers where Sassou-Nguesso stayed cost £3,500 a night

wealth generated by its oil industry which earned an estimated £1.3 billion in 2006.

Concern that oil profits were being siphoned off for the benefit of the country's ruling elite led to controversy last year when The Sunday Times first published details of Sassou-Nguesso's New York hotel bills after a previous visit in 2005.

Paul Wolfowitz, head of the World Bank, reportedly delayed the debt relief deal after learning that aides to Sassou-Nguesso had paid £100,000 in cash towards a September 2005 hotel bill totalling £169,000.

Despite his luxurious tastes attracting worldwide publicity, Sassou-Nguesso's only concession to economy when he returned to New York before a meeting with President George W Bush last April was to stay in a £3,500-a-night "grand suite" in the Waldorf Towers, a luxury annex of the main hotel. The previous September he spent £4,500 a night for a triplex suite at the prestigious Palace hotel.

Most of the bills do not provide a breakdown of room ser-



David Gutterfields

Most people in oil-rich Congo-Brazzaville live on less than £1 a day

vice charges, but one visitor familiar with the Waldorf said they were so large that they must have included substantial quantities of expensive wines and spirits. The bills on September 19 included two bottles of Cristal champagne charged at £400.

Despite Wolfowitz's corrup-

tion concerns, pressure from France and other African nations obliged the World Bank to implement a debt relief package. Yet two weeks after Sassou-Nguesso had committed himself to greater transparency about the handling of Congo-Brazzaville's oil income, two of the country's lead-

£207,000 hotel bill

Gamma



2 1303 CRISTAL 750.00
15.0 %

Sassou-Nguesso and a hotel bill for Cristal champagne

The expensive travel habits have appalled anti-corruption campaigners and embarrassed the World Bank

ing anti-corruption campaigners were arrested on what human rights activists claim were "trumped-up" charges.

Christian Mounzeo and Brice Mackosso were last month fined and given suspended 12-month prison sentences for allegedly stealing about £2,000 from international organisations — despite evidence that the money had not been misused.

"This government was given debt relief by the international community on the basis that it cleans up oil sector management," said Wykes. "All that

The plight of his people

■ Population: 3.7m

■ National income per head: £490 a year

■ More than 70% of population live on less than £1 a day

■ Infant mortality: 79.41 per 1,000 live births

■ Under-five mortality rate per 1,000 children: 108



■ Number of orphans: 270,000

■ Inflation: 7.2%

Source: Unicef, CIA, World Bank

Mounzeo and Mackosso were trying to do was get better management of Congo's wealth. And they became the victims of a government vendetta."

Wykes contrasted the £2,000 that the two men were alleged to have stolen with the amounts detailed in the Sassou-Nguesso entourage's hotel bills. "They are spending hundreds of thousands when the majority of the population is living in poverty," she said.

Attempts to obtain a comment from Congo-Brazzaville's embassy in Washington last week proved fruitless. But Sassou-Nguesso, a former Marxist who has twice seized power through coups, discussed his spending habits during an interview with Fortune magazine last June.

The president insisted that he was fighting to reduce corruption, and that when he was not on business trips he lived modestly in a two-bedroom villa in Brazzaville. He also accused international investors of trying to blacken his government's name as part of a long-running feud over millions of dollars of unpaid Congolese debt that has been bought up by foreign hedge funds now attempting to recoup their investment.

Lawsuits in Britain and America have accused Congo-Brazzaville of selling its oil through a

shady network of shell companies whose main purpose is to hide the country's revenues from creditors. In one case in London brought by Kensington International, a British-based company, Mr Justice Cooke ruled in the High Court that Denis Gokana, head of the state oil company, had set up "sham" companies to "conceal the true facts" of a £20m oil sale.

Kensington is an affiliate of Elliott Management, a US investment fund which owns about \$100m of Congo-Brazzaville debt. Sassou-Nguesso's hotel bills have emerged as part of a New York racketeering court case in which Elliott claims that Congo-Brazzaville's state-owned oil company conspired with BNP Paribas, a French bank, to defraud creditors by hiding the proceeds from stolen oil. The bank denies any wrongdoing.

Sassou-Nguesso told Fortune that the debt investors were "snakes in the ocean... vultures... and thug gangsters" who were seeking to profit from African poverty. "Who is stealing from the poor?" he asked.

Wykes and other experts noted that Sassou-Nguesso had promised the World Bank that oil revenues would be used for poverty reduction and economic development. "But where's the evidence of that?" asked Wykes.