

Treasury Sanctions Current and Former Guatemalan Officials for Engaging in Corrupt Activities

April 26, 2021

WASHINGTON — Today, the U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC) sanctioned one current and one former Guatemalan government official for their roles in corruption in Guatemala. This action targets **Gustavo Adolfo Alejos Cambara**, the former Chief of Staff for the Alvaro Colom presidential administration, and **Felipe Alejos Lorenzana**, an elected delegate to the Congress of the Republic of Guatemala. These individuals are designated pursuant to Executive Order (E.O.) 13818, which builds upon and implements the Global Magnitsky Human Rights Accountability Act and targets perpetrators of serious human rights abuse and corruption around the world. These sanctions reinforce actions taken last year by the U.S. Department of State to publicly designate both individuals, and their immediate family members, under Section 7031(c) of the Department of State, Foreign Operations, and Related Programs Appropriations Act due to their involvement in significant corruption.

“When elected officials in Guatemala pursue self-enrichment in their official duties, it is an affront to democratic principles in the region,” said Treasury Secretary Janet L. Yellen. “This action serves to shine a light on corruption and promote accountability for those who would seek to thwart the judicial process.”

Today’s actions were undertaken in close coordination with the United Kingdom, which has established a new anti-corruption sanctions regime. Coordinated actions using these global sanctions regimes enable likeminded partners to form a unified front to identify, promote accountability for, and disrupt access to the international financial system by corrupt actors and their networks. The United States will continue to engage closely with our allies to impose tangible and significant consequences on those who engage in corruption.

CORRUPTION IN GUATEMALA’S JUDICIAL SELECTION PROCESS

Since the Government of Guatemala's decision not to renew the mandate of the United Nations-established International Commission Against Impunity in Guatemala (CICIG) in 2019, which is an organization that was originally created to work with the Guatemalan Attorney General's Office to investigate corruption-related cases, certain Guatemalan politicians, many of whom are the targets of criminal investigations in Guatemala, continue to thwart anti-graft policies. These officials have sought to eliminate Guatemala's Special Prosecutor against Impunity (FECI), tasked with investigating CICIG-assigned cases. According to investigations by the Guatemalan Attorney General's Office, they have also sought to exert influence on the judicial selection process for appointing magistrates to Guatemala's high courts. The current selection process to appoint magistrates to Guatemala's Supreme Court of Justice (CSJ) and Court of Appeal began in June 2019 but has faced many irregularities and procedural failures.

In February 2020, FECI discovered that while in pre-trial detention for his prior alleged corrupt activities, **Gustavo Adolfo Alejos Cambara (Gustavo)**, the former Chief of Staff for the Alvaro Colom presidential administration from 2008–2012, had been seeking to influence the judicial selection process for magistrates to the CSJ and Court of Appeals. To do this, **Gustavo** reportedly facilitated payments to congressional representatives and judges on the CSJ, in coordination with **Felipe Alejos Lorenzana (Felipe)**, to influence an outcome at both institutions that would secure **Gustavo's** future release from prison, dismiss the corruption charges against him, and protect **Felipe** — as well as CSJ judges — from future prosecution due to corruption.

As a result of FECI's investigation, the Guatemalan Attorney General's Office requested an injunction with respect to the judicial selection process. The Public Prosecutor's Office argued that the candidate rosters submitted had been tampered with and influenced by individuals who were facing criminal charges. The Constitutional Court reviewed the report prepared by the Public Prosecutor's Office that described **Gustavo's** relationships and ruled that the judges would instead be elected by vote; any candidates deemed unsuitable would be excluded from the election.

Additionally, **Gustavo**, who is currently under house arrest, has been the target of several corruption-related investigations. For instance, in 2019, **Gustavo** was accused of receiving bribes from a businessman as part of a corruption network involving money laundering and bribery in government construction contracts in Guatemala. **Gustavo** reportedly purchased offshore assets in Panama and Belize in an effort to obfuscate these funds; **Gustavo** also

purchased property that was later gifted to officials in exchange for political favors. FECI issued an arrest warrant against **Gustavo** related to this these alleged corrupt activities.

Felipe, an elected delegate to the Congress of the Republic of Guatemala for the 2020–2024 term, is a close associate of **Gustavo**. **Felipe** allegedly facilitated bribes and payments from private construction firms for ongoing or potential state infrastructure contracts to congressional representatives, with the goal of ensuring congressional support of Constitutional Court magistrates and alternates, who would support a future Constitutional Court ruling favoring **Felipe's** immunity, keeping **Felipe** and other congressional representatives out of jail.

Gustavo and **Felipe** are designated pursuant to E.O. 13818 for being foreign persons who are current or former government officials, or persons acting for or on behalf of such an official, who are responsible for or complicit in, or who have directly or indirectly engaged in, corruption, including the misappropriation of state assets, the expropriation of private assets for personal gain, corruption related to government contracts or the extraction of natural resources, or bribery.

SANCTIONS IMPLICATIONS

As a result of today's action, all property and interests in property of the persons above that are in the United States or in the possession or control of U.S. persons are blocked and must be reported to OFAC. In addition, any entities that are owned, directly or indirectly, 50 percent or more by one or more blocked persons are also blocked. Unless authorized by a general or specific license issued by OFAC, or otherwise exempt, OFAC's regulations generally prohibit all transactions by U.S. persons or within (or transiting) the United States that involve any property or interests in property of designated or otherwise blocked persons. The prohibitions include the making of any contribution or provision of funds, goods, or services by, to, or for the benefit of any blocked person or the receipt of any contribution or provision of funds, goods, or services from any such person.

GLOBAL MAGNITSKY

Building upon the Global Magnitsky Human Rights Accountability Act, E.O. 13818 was issued on December 20, 2017, in recognition that the prevalence of human rights abuse and corruption that have their source, in whole or in substantial part, outside the United States, had reached such scope and gravity as to threaten the stability of international political and

economic systems. Human rights abuse and corruption undermine the values that form an essential foundation of stable, secure, and functioning societies; have devastating impacts on individuals; weaken democratic institutions; degrade the rule of law; perpetuate violent conflicts; facilitate the activities of dangerous persons; and undermine economic markets. The United States seeks to impose tangible and significant consequences on those who commit serious human rights abuse or engage in corruption, as well as to protect the financial system of the United States from abuse by these same persons.

[Click here to view more information on today's designation.](#)

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