

Press release

## **Embargo on Russian gold: a right decision requiring strict implementation**

**Bern, 4 August 2022 - On Wednesday 3 August, the Federal Council announced a ban on the purchase, import and transport of gold from Russia, following the example of the European Union. SWISSAID welcomes this strengthening of sanctions. However, a special effort must be made to ensure that no Russian gold enters Switzerland via indirect channels.**

SWISSAID has been calling for tougher sanctions against Russia since the beginning of the war and therefore welcomes the recent decision of the Federal Council. "Gold is a means of financing armed conflicts. By banning Russian gold imports into Switzerland, Switzerland has taken the right decision. But the ban will only be effective if it is properly implemented and monitored," says Marc Ummel, Head of Commodities at SWISSAID.

SWISSAID calls for Switzerland to ensure that the ban is fully implemented. In its ordinance, the Federal Council indicates that the ban covers both direct and indirect imports. While direct imports of Russian gold are relatively easy to control, the situation with regard to indirect imports is more problematic. At present, Swiss legislation stipulates that the last country where the gold was processed can be declared as the country of origin. To ensure that Russian gold is not imported via intermediate countries where it is refined, the federal administration has no choice but to require Swiss importers to declare the real origin of the gold and to control their declarations, which it does not do at the moment.

Furthermore, the legislative framework allowing for the control of gold imports is very limited. In an answer to a parliamentary question by Fabian Molina (SP/ZH) on 13 June 2022, the Federal Council acknowledged that "the Swiss authorities have neither the mandate nor the possibility to demand or verify the origin of gold upstream of the transformation process". In order to check that Russian gold is not imported indirectly into Switzerland via intermediate countries, the federal administration must now carry out these checks beyond the first supplier. It remains to be seen how this will be put into practice. One possibility would be to amend the Precious Metals Control Act to extend the powers of the Central Office (BCMP) so that it can carry out checks on the entire supply chain of gold refiners.

### **Contact persons :**

Marc Ummel, Head of Commodities, SWISSAID, 079/694 49 21, [m.ummel@swissaid.ch](mailto:m.ummel@swissaid.ch)

Delphine Neyaga, Media Officer, SWISSAID, 076/582 76 66, [d.neyaga@swissaid.ch](mailto:d.neyaga@swissaid.ch)