

Press release for the international media

More than a tonne of gold leaves the African continent every day undeclared

Bern and Lausanne, 30 May 2024 – At least 435 tonnes of gold was smuggled out of Africa in 2022, the equivalent of 31 billion USD at current exchange rates. The phenomenon is on the rise, for gold smuggling more than doubled in Africa between 2012 and 2022. These figures come from a groundbreaking SWISSAID study, which also details the key role played by the United Arab Emirates in the trade in African gold.

Covering all 54 African countries over a period of more than ten years, this new SWISSAID study quantifies for the first time the production and trade of African gold, both declared and undeclared. The results are striking: every year, between 321 and 474 tonnes of gold are produced on the continent through artisanal and small-scale mining (ASM) without being declared. The commercial value of this gold is between 24 and 35 billion USD. This represents 75% of Africa's total ASM gold production. In addition, in twelve African countries, smuggling exceeds 20 tonnes of gold a year.

What happens to gold after it is extracted from African industrial and artisanal mines? Most of it goes to a very small number of countries. In 2022, almost 80% of this gold was exported to only three countries: the United Arab Emirates (47%), Switzerland (21%) and India (12%).

As one of the world's major gold hubs, the United Arab Emirates imported 2,569 tonnes of gold from Africa between 2012 and 2022 that was not declared for export to African countries, the study reveals. In terms of value, this amounts to a staggering 115.3 billion USD. Most of this gold is refined in Dubai before being exported to India, Switzerland, Turkey and Hong Kong.

Lack of controls

SWISSAID's in-depth study provides valuable data in the current context. The socio-economic difficulties experienced by several African countries combined with the rising price of gold in recent years have triggered gold rushes in many regions. The consequence: a hasty and uncontrolled development of artisanal, small-scale and even semi-mechanised mines, where working conditions are often disastrous.

The lack of state control and the corruption that plagues the gold sector contribute to a high risk of human rights violations and environmental damage, from which local populations are the first to suffer. «Shedding light on the African gold trade is essential, if governments and the industry are to face up to their responsibilities», explains Yvan Schulz, project manager at SWISSAID and co-author of the study.

Marc Ummel, head of the raw materials unit at SWISSAID and co-author of the study, adds: «Governments must no longer be able to hide behind the absence or poor quality of data to justify their inaction. They must assume their responsibilities, in particular by strengthening controls and working to formalise the sector.»

Recommendations

At the end of their research, the authors draw up a list of recommendations for governments and industry. In particular, they recommend greater transparency, harmonising taxes and adopting national legislation incorporating all the requirements of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. These measures are aimed at combating illicit gold flows and the financing of armed groups, improving working conditions in the mines and reducing revenue losses for African states.

Documents:

- Full study: [*On the trail of African gold: Quantifying production and trade to combat illicit flows.*](#)
- [Key results](#)

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