

## Sudan Gold Brief

Enough Team March 4, 2015

Check out "[Fool's Gold: The Case for Scrutinizing Sudan's Conflict Gold Trade](#)" for more information on the connection between gold from Sudan and the ongoing atrocities.

### How is Gold Connected to the Ongoing Atrocities in Sudan?

Gold coming from Sudan is conflict-affected, high-risk, and helping to destabilize Darfur, Blue Nile, and South Kordofan, the country's main conflict zones. In those areas, civilians living around gold mining sites have suffered killings, mass rape, and the torching of their homes and fields at the hands of armed groups, including the Sudanese army and tribal militias fighting with government backing. The sales of gold mined in other parts of the country also help to buy weapons and sustain war.

### Why is Gold so Important to the Sudanese Government?

With the loss of oil revenues following South Sudan's independence in 2011, gold is becoming the government's lifeline for foreign exchange, which the Sudanese government desperately needs. Sudan's President Omar al-Bashir himself has acknowledged that although "we lost oil, we got gold." The International Monetary Fund (IMF) projects that 2014 gold sales earned the government at least \$1.172 billion. The Sudanese government itself claims that sales earned \$1.36 billion last year. Additionally, since the vast majority of Sudan's gold is purchased, consolidated, and exported by the government, it is almost impossible to distinguish which gold comes from conflict-affected areas and which gold comes from gold mines that meet responsible sourcing criteria.

### What Can Be Done to Make it Harder for the Government of Sudan, its Janjaweed Proxies, and Other Armed Groups to Profit from War and Use Gold to Fund Their Operations?

- (1) **United Nations experts** should investigate Sudan's gold trade and the connections between gold and the armed groups operating in Darfur, including the government's security services.
- (2) **The U.S. Department of the Treasury** should investigate the traders who carry gold from mines in Darfur and those who sell gold to the Sudanese Central Bank for possible U.S. sanctions.
- (3) **U.S. Congress** should expand the scope of sanctions on Sudan outlined in the 2006 Darfur Peace and Accountability Act to allow the imposition of sanctions on those benefitting from the conflict-affected gold trade from Darfur, and call on the gold industry to recognize Sudanese gold as 'high-risk.'
- (4) **The gold industry** (including the OECD, CFSI, LBMA, DMCC, and RJC) should encourage greater due diligence in its processes by ensuring that Sudanese gold is labeled as 'high-risk' and 'conflict-affected' and tracing all gold coming from Sudan to its mine of origin to ensure that such purchases are not inadvertently fueling war.