

Expert Study on the Swiss Gold Sector and related Risks of Human Rights Abuses



As a major hub in the gold trading and refinement sector, Switzerland has often been criticized for importing gold that was mined, processed or transported in conditions marked by human rights violations. How significant is the risk of abetting such violations?

Switzerland is one of the world's most important gold markets. Throughout the last several years, Switzerland has imported and refined up to 3,000 tons of raw gold and gold bullion from more than 90 different countries. The sources of this gold include artisanal and small-scale mining operations, industrial mining operations and gold recycling operations (e.g. gold recovery from electronic devices or old jewelry).

Working on behalf of the Swiss Federal Department of Foreign Affairs (FDFA), EBP has carried out a study to ascertain the extent to which Swiss importers may be importing gold that has been mined, processed or transported in conditions marked by human rights violations. In addition to gathering the important information outlined below, the study serves as a response to the parliamentary petition submitted by green-party member Luc Recordon.

- Our study report provides an explanation of the gold refinement industry in Switzerland, including the relevant enterprises and processes, as well as of the relevant regulatory framework in Switzerland and at an international level (soft and hard law).
- The report includes an analysis grid that enables one to identify the potential risks of human rights violations for the three most important value chains in the gold

Client

Swiss Federal Department of Foreign Affairs (FDFA)

Facts

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| Period | 2017 |
| Project Country | Switzerland |
| volume of imported raw (unrefined) gold into Switzerland in 2016 | 2'761 metric tons |
| specific value of imported raw (unrefined) gold in 2016 | 29'630 CHF/kg |
| Number of countries with import to Switzerland (in 2016) | 92 |

production, from the mining, rough processing to transport of gold.

- Using this as a basis, EBP offers a systematic description of existing risk-reduction measures, focusing in particular on due diligence measures carried out by the gold industry representatives and end customers.
- Finally, our study report identifies existing residual risks and describes ways of minimizing these risks in the future, with the aim being to essentially rule out the possibility of importing gold that was mined, pre-processed or transported under conditions marked by human rights violations.

The study is based on extensive research of the literature and around 20 interviews with gold industry representatives, representatives of international standards-setting organizations (OECD, LBMA, RJC, etc.), Swiss non-governmental organizations and various governmental agencies.

EBP drafted and carried out the study in collaboration with Prof. Christine Kaufmann (University of Zurich) and Markus Nöthiger (enemco GmbH).

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