

Towards an international strategy to combat illicit trafficking in precious metals

A meeting at UNICRI with key stakeholders from governments and the private sector

Turin, 29 September 2015. A meeting on illicit trafficking in precious metals took place in Turin from 23 to 25 September. The meeting was part of a programme implemented by the United Nations Interregional Crime and Justice Research Institute (UNICRI) and funded by the Government of South Africa.

The initiative aims at establishing a network of key stakeholders, assessing the degree and scale of the threat, and the legal and control systems obstacles to effective counter measures and strategies. Final objective of the programme is to promote an international strategy to counter the illicit trafficking of precious metals and combat its potential use as a source of funding for organized crime and terrorism.

The increasing phenomenon of illicit trafficking in precious metals represents a significant source of financing for organized criminal groups that exploit loopholes in the national and international legislation and in the precious metals trading. Precious metals have been considered as the standard for currencies and represent ideal commodities for financing criminal activities given their easy transportability and high value. The development and expansion of transportation infrastructure, banking systems and telecommunication have facilitated the involvement of organized crime in this very high profitable business.

The illicit proceeds deriving from this traffic allow criminal syndicates to expand their networks and activities, generating a convergence of threats to stability, economic growth and development.

UNICRI is mandated by the Economic and Social Council's Resolution 2013/38 to conduct a comprehensive study on the possible links between transnational organized crime, other criminal activities and illicit trafficking in precious metals. Member States are invited to support the implementation of the project by providing technical expertise in different related areas.

The involvement of relevant international and regional organisations facilitates the exchange of technical information and the sharing of experience as well as promoting strong international cooperation and coordination. The private sector also contributes to the programme by bringing the private companies' perspective and responses to this matter. The meeting in Turin was attended by representatives from the South Africa and Russia, leading companies in the mining and refining industry, international organizations and NGOs.

The Director of UNICRI, Ms. Cindy Smith said "The multi-billion dollar Illicit trafficking of precious metals industry gives oxygen to the expansion of organized crime and terrorism, undermines economic and social development, and democratic institution-building. It generates pervasive corruption, trafficking of weapons, money laundering, crimes against the environment, and blatant violations of human rights, including exploitation of children and trafficking of migrants. Much more needs to be done to raise awareness, enhance cooperation and improve the regulatory framework. We are confident this initiative, based on transnational cooperation, will contribute to the designing and implementation of effective strategies and actions."

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