

**[DISCUSSION DRAFT]**

117TH CONGRESS  
1ST SESSION

**H. RES.** \_\_\_\_\_

Expressing concern about the rise in illicit mining and trafficking of gold in Latin America and the pervasive problem that such mining poses for the security, stability, and environment of the region.

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IN THE HOUSE OF REPRESENTATIVES

M. \_\_\_\_\_ submitted the following resolution; which was referred to the Committee on \_\_\_\_\_

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**RESOLUTION**

Expressing concern about the rise in illicit mining and trafficking of gold in Latin America and the pervasive problem that such mining poses for the security, stability, and environment of the region.

Whereas during the 10-year period immediately preceding the date of enactment of this Resolution, Latin America has witnessed an alarming increase in the illicit mining and trafficking of gold and other valuable minerals;

Whereas illicit gold mining is a significant challenge across Latin America, specifically in the Andean and Amazonian regions, where, according to the internationally recognized nongovernmental organization Global Initiative against Transnational Organized Crime—

(1) Venezuela leads the region with approximately 90 percent of the gold extracted in that country being mined illicitly;

(2) Colombia and Ecuador closely follow with approximately 80 percent of the gold extracted in those countries being mined illicitly; and

(3) nearly 30 percent of the gold extracted in Bolivia and Peru is mined illicitly;

Whereas illicit gold mining involves the extraction of gold in violation of the laws of the country in which the activity occurs and mostly takes place in remote geographic areas with limited government presence, leaving opportunities for transnational criminal organizations to exploit this practice to generate billions of dollars in illicit profits to bolster their strength and long-term viability;

Whereas the profits derived from illicit gold mining have become a leading source of the illicit financial activities in the region, surpassing the profits generated by coca and cocaine production in recent years;

Whereas transnational criminal organizations use illicit gold trafficking as a mechanism to launder profits from other illicit activities, which frequently threatens the national security of the United States and undermines legal international trade by compromising the lawful gold supply chain and exploiting the United States financial system for illegal gain;

Whereas the presence of transnational criminal organizations in mining and trading chains of gold and other valuable minerals profoundly threatens the safety, security, and cultural integrity of indigenous communities across Latin America;

Whereas illicit gold mining often devastates the environment and is destructive to rural and indigenous communities since it violates legal standards and safety requirements and often involves the illegal use of mercury, a potent toxin that, when used improperly, contaminates water supplies in the areas surrounding illicit mining sites, and can result in acute and long-term poisoning in people;

Whereas the recent activities associated with illicit gold mining include cutting down rainforests and creating pools of stagnant water, which contribute to the spread of mosquitoes and insect-borne disease, inciting an epidemic of malaria in Venezuela at levels not seen in the past 75 years;

Whereas in May 2016, former President of Peru, Ollanta Humala, declared a 60-day emergency in the Madre de Dios region near Peru's southeastern border with Brazil in an attempt to curb high levels of mercury poisoning of residents due to the impacts of illicit gold mining;

Whereas, on February 24, 2016, the authoritarian government of Nicolás Maduro in Venezuela enacted a decree that announced a new legal framework for open mining under the name of "Orinoco Mining Arc" as a means to diversify the regime's cash flow, an action done without the approval of the democratically elected National Assembly, as required by Venezuela's Constitution;

Whereas the Orinoco Mining Arc decree can impact the mercury content in waters in southern Venezuela and devastate the unique ecosystems of the Amazon, including World Heritage Site Canaima National Park, which is the ancestral land of the Pemón indigenous people and where at least 59 mining sites have been detected;

Whereas corruption and the weak rule of law in Venezuela has allowed transnational criminal organizations, drug trafficking organizations, insurgent groups, and other armed groups to control and financially benefit from illicit mining operations, many of which have exerted control over different parts of the Orinoco Mining Arc region and beyond, such as Yapacana National Park and the Alto Orinoco-Casiquiare Biosphere Reserve, home to indigenous communities of 17 ethnic groups, including the Yanomami and Ye'kuana tribes;

Whereas, according to the Center for Strategic and International Studies, more than 500,000 workers are involved in mining operations in Venezuela, of whom—

(1) approximately 45 percent are underage; and

(2) the majority are from indigenous communities who were coerced into working through threats of violence;

Whereas the Organization for Economic Co-operation and Development, in a September 2021 report, expressed concern that the flow of all the gold produced within Venezuela, which is estimated to total as much as 75 tons per year, with a market value of more than \$4,400,000,000, has a high risk of contributing to serious human rights abuses, direct or indirect support for non-state armed groups, corruption, money laundering, and tax evasion;

Whereas Executive Order 13850, which was issued on November 1, 2018, sanctioned individuals involved in illicit gold operations that propped up the illegitimate regime of Nicolás Maduro;

Whereas the United States signed Memorandums of Understanding with the governments of Peru and Colombia in

2017 and 2018, respectively, in an effort to combat illicit mining and minimize its negative impacts: Now, therefore, be it

1       *Resolved*, That the House of Representatives—

2           (1) expresses deep concern about the threat  
3       that illicit gold mining in Latin America poses for  
4       the security, stability, and environment of the re-  
5       gion;

6           (2) recognizes the threat that illicit gold mining  
7       in Latin America poses for the national security of  
8       the United States;

9           (3) supports the rights of the rural and indige-  
10       nous populations that have been deeply affected by  
11       illicit gold mining practices in the region;

12          (4) supports the efforts of the United States  
13       Government to expand bilateral cooperation with the  
14       governments of Colombia, Ecuador, and Peru to  
15       combat illicit gold mining;

16          (5) condemns the Maduro regime for directly  
17       and indirectly facilitating illicit mining of gold and  
18       other minerals in Venezuela;

19          (6) denounces the Maduro regime's involvement  
20       in illicit mining practices in the Amazonas and  
21       Bolívar states, which have led to human rights  
22       abuses, destruction of indigenous social fabric, defor-  
23       estation, habitat loss, environmental degradation,

1 and a rise in cases of malaria and other related dis-  
2 eases in Venezuela;

3 (7) calls for better regional and international  
4 coordination among government and industry actors  
5 to monitor and mitigate the environmental, human  
6 rights, and security risks posed by gold flows out of  
7 Venezuela;

8 (8) encourages efforts to promote legal, regu-  
9 lated, and sustainable mining practices in Bolivia,  
10 Colombia, Ecuador, Peru, and Venezuela after  
11 democratic order is restored;

12 (9) notes with alarm the link between  
13 transnational criminal organizations and illicit gold  
14 trafficking and the danger it represents in under-  
15 mining legal international trade and exploiting the  
16 United States' and other regional financial systems;

17 (10) underscores the threat that illicit gold traf-  
18 ficking and its associated illicit financial activities  
19 pose to the national security of the United States;  
20 and

21 (11) urges financial institutions and related  
22 businesses to include the money laundering, sanc-  
23 tions evasion, and terrorist financing risks of gold  
24 trafficking in their financial crimes and supply chain  
25 due diligence.