Legislative gaps lead to abuses in gold mining

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[This is an unofficial translation by Business & Human Rights Resource Centre of a press release by Action de Carême (Swiss Catholic Lenten Fund) and Pain pour le prochain (Bread For All). The original press release in French is here; the full report it refers to is here. Business & Human Rights Resource Centre invited the three mining companies named in the report to respond to it. Their responses are here.]

Lax legislation in Switzerland encourages abusive practices by our companies abroad. In Burkina Faso, 14,000 people have been displaced to make way for three gold mines; the gold they extract is then refined in Switzerland. Those displaced have lost all means of subsistence. These are the findings of a new study by Action de Carême and Pain pour le prochain. With their partners, the two organizations are part of the "Toward responsible multinationals" initiative, urging Switzerland to take responsibility on human rights issues.

Switzerland is the global hub for gold refining: About 70% of global gold production is refined in Switzerland. But its laws are not up to the challenge of the human rights issues it faces. In their inquiry, Action de Carême and Pain pour le prochain looked into the example of Metalor. One of the largest refineries in the world, it states that it respects the law, including the Anti-Money Laundering Act and the Ordinance on Precious Metals Control. However, these laws "limit themselves to verifying the legal origin of gold, and guaranteeing its quality, but they are not designed to assure respect for human rights", explains Doro Winkler, lead for the Human Rights programme at Action de Carême… [He adds]: "Protection of human rights cannot be optional."

The consequences in Burkina Faso of the voluntary nature of these measures are glaring. Action de Carême investigated three gold mines in the country. All the gold mined there is currently refined by Metalor (in the case of the Essakane mine) or has been in the past (in the case of the Bissa and Kalsaka mines). The mines have caused the displacement of 14,000 people, whose rights have been flouted several times over: many have been deprived of their lands and of access to potable water. Their harvests have diminished and hunger has increased. "Before, we lived, but today, we only survive", laments Florence Sawadogo (a pseudonym), a 25-year-old mother and one of the victims of the mines. Barthélémy Sam, coordinator for Action de Carême in Burkina Faso, observes, "We are witnessing a 'gold rush', creating numerous socioeconomic, cultural, environmental, and even political problems. Behind the mining, the fate of many men and women is hidden."

The proposed requirement under Swiss law for multinational companies to exercise due diligence is a question of justice and dignity. This situation implicates Switzerland all the more for its role as an attractive economic site for large corporations. The "Toward responsible multinationals" initiative aims to close this gap in Swiss legislation, by obligating companies to take all necessary actions, abroad as at home, to avoid abuses of human rights and the environment. Anne Seydoux-Christe, a member of the Swiss State Council, this requirement is common sense. She says, "In Switzerland, no one would accept that their rights, or their children's rights, could be harmed, in the ways that an unacceptable number of people's rights are harmed in developing countries." She fears the consequences for our country's reputation of human rights abuses committed by Swiss companies. "The initiative is an opportunity for our economy", she concludes, with conviction. For Action de Carême, Pain pour le prochain and their partners, it is unacceptable that our economy rests on the destruction of the means of subsistence of local people in the Global South.