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Americas

Nearly 30% of Brazil's gold exports are illegal, report says

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A gold dredge is seen at the banks of Uraricoera River during Brazil's environmental agency operation against illegal gold mining on indigenous land, in the heart of the Amazon rainforest, in Roraima state, Brazil April 15, 2016. REUTERS/Bruno Kelly/File Photo

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BRASILIA, Aug 30 (Reuters) - Roughly 28% of Brazilian gold exports in 2019 and 2020 likely came from illegal mines, a report by public prosecutors and the Federal University of Minas Gerais found, pointing to widespread forging of documents and lack of effective law enforcement.

The report from federal prosecutors and the Federal University of Minas Gerais found indications of illegality related to 48.9 tonnes of gold in the two-year period.

Wildcat miners in Brazil often extract gold from areas where no mining is allowed, such as protected nature reserves or indigenous land.

That mining, done without regard to environmental regulations, drives deforestation in the Amazon rainforest and has also been shown to poison rivers with mercury. [read more](#)

The report only considered gold that was registered with the federal government in order to pay taxes on the precious metal and cross referenced that data with satellite images on the reported locations of the mines.

The quantity of gold reported coming out of the areas in question went beyond the capacity of the sources, according to the report.

"There was an attempt to launder this gold, to hide its real origin. But by cross referencing it with images, there is no way this gold came from the declared origin," said Raoni Rajao, an environmental management professor at the Federal University of Minas Gerais and an author of the report.

For 6.3 tonnes of gold, the area reported to authorities as the origin of the gold showed no evidence of mining on satellite images.

The remainder was reported to have come from places bordering protected areas that show signs of having been invaded by miners.

Government data shows that 111 tonnes of gold were exported in 2020, more than total production of 92 tonnes, also indicating some may have come from illegal sources, the report said.

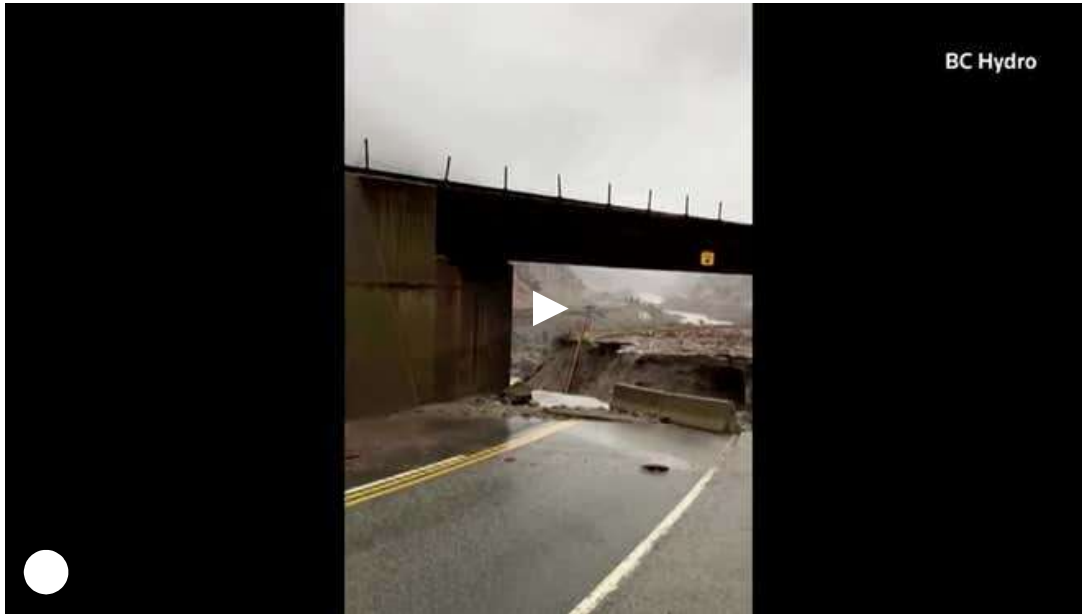
Brazil's Mines and Energy Ministry did not immediately respond to a request for comment.

In 2019 and 2020, Canada, Switzerland and Great Britain bought 72% of Brazil's gold exports.

Reporting by Jake Spring; Editing by Sandra Maler

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