

PRESS RELEASE

GOLD IS INCREASINGLY A TOOL OF STATECRAFT IN A TIME OF GEOPOLITICAL TENSION AND UNCERTAIN FINANCIAL MARKETS

A new report by the Global Initiative Against Transnational Organized Crime report *Commodity, Currency, Crime* assesses illicit gold markets and finds serious systemic vulnerabilities in the gold sector, alongside geopolitical actors systematically exploiting illicit gold supply chains

9 June 2026, Geneva, Switzerland - As central bank demand reaches record levels and financial markets reshape in line with geopolitics, gold is increasingly an instrument of statecraft, including its weaponisation by sanctioned states, according to a new report by the Global Initiative Against Transnational Organized Crime (GI-TOC).

The report, *Commodity, Currency, Crime: How Illicit Gold Markets are Outpacing Global Responses*, finds that states including Russia, Iran, Venezuela and Sudan have used gold to evade sanctions and sustain regimes that might otherwise be financially isolated, a phenomenon known as 'geocriminality'. Since invading Ukraine, for example, Russia has systematically weaponised gold to bypass international financial restrictions. Russia's military networks across Africa, operating through the Wagner Group and its successor Africa Corps, have secured access to gold resources in the Central African Republic, Sudan, Mali and elsewhere.

The report also addresses the systemic vulnerabilities that underpin the global gold sector and are exploited by criminals.

Marcena Hunter, Director of Extractives at the GI-TOC, said, "from corruption and weak governance enabling regulatory capture, to foreign investment that has industrialised illicit mining into operations that now bear little resemblance to artisanal activity, we need new frameworks and risk analyses". Hunter added, "criminal networks now control whole supply chains, rather than simply exploiting gaps in them".

At the same time, central banks led by China, Poland, India and Türkiye appear to be replacing dollar reserves with gold, apparently driven by geopolitical tensions and de-dollarisation. Yet, central banks are among the least scrutinised participants in the gold market. No binding international framework governs due diligence on their gold holdings. In parallel, countries such as the US and China are entering into mining and sourcing agreements with producing countries, including a US deal to source gold from Venezuela, that have drawn scrutiny.

And while higher prices intensify criminal incentives, the report finds that the networks, corruption and vulnerabilities are structural in nature, enabling illicit gold to persist across price cycles.

While the UK and US have historically dominated global gold trading, the report finds markets are increasingly shifting towards Asia and the Middle East. With the UAE now the world's second largest bullion centre, and flows diversifying towards Hong Kong, India and Türkiye, this shift compounds what the report identifies as loss aversion – the fear that stricter standards will simply push flows elsewhere.

Meanwhile systemic failures in the international regulatory framework persist. The report finds that: Illicit gold is not a peripheral integrity problem for an otherwise functioning market: it is the consequence of a market in which structural opacity has never been seriously challenged. As international gold markets diversify, strong international leadership to close regulatory gaps is needed more than ever. Including stronger guidance and action from the Financial Action Task Force on gold, such as recognizing gold as a monetary instrument as well as a commodity.

“The gold market can become more resilient to crime, but only if the actors with the greatest systemic influence accept that their economic interests are better served by a more transparent, rules-based market than by the opacity that currently prevails”, said Sophia Pickles, Senior Expert at the GI-TOC.

Amongst the recommendations put forward, the report recommends creation of a binding, globally harmonised standard for gold supply chains creating an unambiguous benchmark for assessing gold, counterparties and supply chains.

More detail on GI-TOC's work on gold is available here:

- GI-TOC, [Civil society policy recommendations](#) on illicit gold, April 2026
- GI-TOC, [After the Fall](#), February 2025
- GI-TOC, [Contested corridors](#), The illicit transnational supply chains sustaining Sudan's conflict, November 2025
- GI-TOC, [After the Fall](#), February 2025 GI-TOC, [Contested corridors](#), The illicit GI-TOC, [Shifting Amazon Gold Flows](#), March 2026,
- GI-TOC, [The Somali gold rush](#): Milxo and the ungoverned mining frontier
- GI-TOC, [Feeding the furnace](#): Tracing opaque gold supply chains and deals in Central Africa, January 2026

ABOUT THE GI-TOC

The Global Initiative Against Transnational Organized Crime is a network of professionals working on the front lines of the fight against the illicit economy and criminal actors. Through a network of global civil society observatories on the illicit economy, we monitor evolving trends and work to build the evidence basis for policy action, disseminate the expertise of our Network, and catalyze multisectoral and holistic responses across a range of crime types. With the Global Initiative's Resilience Fund, we support community activists and local non-governmental organizations working in areas where crime governance critically undermines people's safety, security and life chances.

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