

118TH CONGRESS  
1ST SESSION

# H. R. 5570

To establish and implement a multi-year Legal Gold and Mining Partnership Strategy to reduce the negative environmental and social impacts of illicit gold mining in the Western Hemisphere, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 19, 2023

Mr. MILLS (for himself and Ms. KAMLAGER-DOVE) introduced the following bill; which was referred to the Committee on Foreign Affairs, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To establish and implement a multi-year Legal Gold and Mining Partnership Strategy to reduce the negative environmental and social impacts of illicit gold mining in the Western Hemisphere, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “United States Legal  
5 Gold and Mining Partnership Act”.

6 **SEC. 2. FINDINGS.**

7 Congress makes the following findings:

1           (1) The illicit mining, trafficking, and commer-  
2           cialization of gold in the Western Hemisphere—

3                   (A) negatively affects the region’s economic  
4                   and social dynamics;

5                   (B) strengthens transnational criminal or-  
6                   ganizations and other international illicit actors;

7                   (C) perpetuates human rights abuses and  
8                   land occupation against indigenous commu-  
9                   nities; and

10                  (D) can cause significant environmental  
11                  destruction.

12           (2) A lack of economic opportunities, corrup-  
13           tion, and the weak rule of law promote illicit activi-  
14           ties, such as illicit gold mining, which increases the  
15           vulnerability of individuals in mining areas, includ-  
16           ing indigenous communities, who have been sub-  
17           jected to trafficking in persons, other human rights  
18           abuses, and population displacement in relation to  
19           mining activity, particularly in the artisanal and  
20           small-scale mining sector.

21           (3) Illicit gold mining in Latin America often  
22           involves and benefits transnational criminal organi-  
23           zations, drug trafficking organizations, terrorist  
24           groups, and other illegal armed groups that extort

1 miners and enter into illicit partnerships with them  
2 in order to gain revenue from the illicit activity.

3 (4) Illicit gold supply chains are international in  
4 nature and frequently involve—

5 (A) the smuggling of gold and supplies,  
6 such as mercury;

7 (B) trade-based money laundering; and

8 (C) other cross-border flows of illicit as-  
9 sets.

10 (5) In Latin America, mineral traders and ex-  
11 porters, local processors, and shell companies linked  
12 to transnational criminal networks and illegally  
13 armed groups all play a key role in the trafficking,  
14 laundering, and commercialization of illicit gold from  
15 the region.

16 (6) According to a report on illegally mined  
17 Gold in Latin America by the Global Initiative  
18 Against Transnational Organized Crime—

19 (A) more than 70 percent of the gold  
20 mined in several Latin American countries,  
21 such as Colombia, Ecuador, and Peru, is mined  
22 through illicit means; and

23 (B) about 80 percent of the gold mined in  
24 Venezuela is mined through illicit means and a  
25 large percentage of such gold is sold—

1 (i) to Mibiturven, a joint venture op-  
2 erated by the Maduro regime composed of  
3 Minerven, a gold processor that has been  
4 designated by the Office of Foreign Assets  
5 Control of the Department of the Treas-  
6 ury, pursuant to Executive Order 13850  
7 (relating to blocking property of additional  
8 persons contributing to the situation in  
9 Venezuela), and Marilyns Proje Yatirim,  
10 S.A., a Turkish company; or

11 (ii) through other trafficking and  
12 commercialization networks from which the  
13 Maduro regime benefits financially.

14 (7) Illegal armed groups and foreign terrorist  
15 organizations, such as the Ejército de Liberación  
16 Nacional (National Liberation Army—ELN), work  
17 with transnational criminal organizations in Ven-  
18 ezuela that participate in the illicit mining, traf-  
19 ficking, and commercialization of gold.

20 (8) Transnational criminal organizations based  
21 in Venezuela, such as El Tren de Aragua, have ex-  
22 panded their role in the illicit mining, trafficking,  
23 and commercialization of gold to increase their  
24 criminal profits.

1 (9) Nicaragua’s gold exports during 2021 were  
2 valued at an estimated \$989,000,000 in value, of  
3 which

4 (A) gold valued at an estimated  
5 \$898,000,000 was shipped to the United  
6 States;

7 (B) gold valued at an estimated  
8 \$48,700,000 was shipped to Switzerland;

9 (C) gold valued at an estimated  
10 \$39,000,000 was shipped to the United Arab  
11 Emirates; and

12 (D) gold valued at an estimated  
13 \$3,620,000 was shipped to Austria.

14 **SEC. 3. DEFINITIONS.**

15 In this Act:

16 (1) APPROPRIATE CONGRESSIONAL COMMIT-  
17 TEES.—The term “appropriate congressional com-  
18 mittees” means—

19 (A) the Committee on Foreign Relations of  
20 the Senate;

21 (B) the Committee on Banking, Housing,  
22 and Urban Affairs of the Senate;

23 (C) the Committee on Foreign Affairs of  
24 the House of Representatives; and

1 (D) the Committee on Financial Services  
2 of the House of Representatives .

3 (2) ARTISANAL AND SMALL-SCALE MINING;  
4 ASM.—The terms “artisanal and small-scale mining”  
5 and “ASM” refer to a form of mining common in  
6 the developing world that—

7 (A) ranges from employing rudimentary,  
8 simple, and low-cost extractive technologies and  
9 manual labor-intensive techniques to being  
10 highly mechanized, using large earth-moving  
11 equipment and high through-put processing  
12 centers;

13 (B) is frequently subject to limited regula-  
14 tion; and

15 (C) often features harsh and dangerous  
16 working conditions.

17 (3) ILLICIT ACTORS.—The term “illicit actors”  
18 includes—

19 (A) any person included on any list of—

20 (i) United States-designated foreign  
21 terrorist organizations;

22 (ii) specially designated global terror-  
23 ists (as defined in section 594.310 of title  
24 31, Code of Federal Regulations);

1 (iii) significant foreign narcotics traf-  
2 fickers (as defined in section 808 of the  
3 Foreign Narcotics Kingpin Designation  
4 Act (21 U.S.C. 1907); or

5 (iv) blocked persons, as maintained by  
6 the Office of Foreign Assets Control of the  
7 Department of the Treasury; and

8 (B) drug trafficking organizations.

9 (4) KEY STAKEHOLDERS.—The term “key  
10 stakeholders” means private sector organizations, in-  
11 dustry representatives, and civil society groups that  
12 represent communities in areas affected by illicit  
13 mining and trafficking of gold, including indigenous  
14 groups, that are committed to the implementation of  
15 the Legal Gold and Mining Partnership Strategy.

16 (5) LEGAL GOLD AND MINING PARTNERSHIP  
17 STRATEGY; STRATEGY.—The terms “Legal Gold and  
18 Mining Partnership Strategy” and “Strategy” mean  
19 the strategy developed pursuant to section 4.

20 (6) RELEVANT FEDERAL DEPARTMENTS AND  
21 AGENCIES.—The term “relevant Federal depart-  
22 ments and agencies” means—

23 (A) the Department of State;

24 (B) the Department of the Treasury;

1 (C) the Department of Homeland Security,  
2 including U.S. Customs and Border Protection  
3 and U.S. Immigration and Customs Enforce-  
4 ment;

5 (D) the Department of Justice, including  
6 the Federal Bureau of Investigation and the  
7 Drug Enforcement Administration;

8 (E) the Department of the Interior;

9 (F) the United States Agency for Inter-  
10 national Development; and

11 (G) other Federal agencies designated by  
12 the President.

13 **SEC. 4. LEGAL GOLD AND MINING PARTNERSHIP STRAT-**  
14 **EGY.**

15 (a) STRATEGY REQUIRED.—The Secretary of State,  
16 in coordination with the heads of relevant Federal depart-  
17 ments and agencies, shall develop a comprehensive, multi-  
18 year strategy, which shall be known as the Legal Gold and  
19 Mining Partnership Strategy (referred to in this section  
20 as the “Strategy”), to combat illicit gold mining in the  
21 Western Hemisphere.

22 (b) ELEMENTS.—The Strategy shall include policies,  
23 programs, and initiatives—



1           (1) to interrupt the linkages between ASM and  
2           illicit actors that profit from ASM in the Western  
3           Hemisphere;

4           (2) to deter ASM in protected indigenous land  
5           and environmentally protected areas, such as na-  
6           tional parks and conservation zones, to prevent min-  
7           ing-related contamination of ancestral indigenous  
8           land and critical natural resources, such as water re-  
9           sources, soil, tropical forests, and other flora and  
10          fauna, and aerosol contamination linked to detri-  
11          mental health impacts;

12          (3) to counter the financing and enrichment of  
13          actors involved in the illicit mining, trafficking, and  
14          commercialization of gold, and the abetting of their  
15          activities by—

16                (A) promoting the exercise of due diligence  
17                and the use of responsible sourcing methods in  
18                the purchase and trade of ASM;

19                (B) preventing and prohibiting foreign per-  
20                sons who control commodity trading chains  
21                linked to illicit actors from enjoying the benefits  
22                of access to the territory, markets or financial  
23                system of the United States, and halting any  
24                such ongoing activity by such foreign persons;

1 (C) combating related impunity afforded to  
2 illicit actors by building the capacity of inves-  
3 tigative and anti-corruption offices and address-  
4 ing corruption in government institutions; and

5 (D) supporting the capacity of financial in-  
6 telligence units, customs agencies, and other  
7 government institutions focused on anti-money  
8 laundering initiatives and combating the financ-  
9 ing of criminal activities and terrorism to exer-  
10 cise oversight consistent with the threats posed  
11 by illicit gold mining;

12 (4) to build the capacity of foreign civilian law  
13 enforcement institutions in the Western Hemisphere  
14 to effectively counter—

15 (A) linkages between illicit gold mining, il-  
16 licit actors, money laundering, and other finan-  
17 cial crimes, including trade-based money laun-  
18 dering;

19 (B) linkages between illicit gold mining, il-  
20 licit actors, trafficking in persons, and forced or  
21 coerced labor, including sex work and child  
22 labor;

23 (C) the cross-border trafficking of illicit  
24 gold, and the mercury, cyanide, explosives, and

1 other hazardous materials used in illicit gold  
2 mining; and

3 (D) surveillance and investigation of illicit  
4 and related activities that are related to or are  
5 indicators of illicit gold mining activities;

6 (5) to ensure the successful implementation of  
7 the existing Memoranda of Understanding signed  
8 with the Governments of Peru and of Colombia in  
9 2017 and 2018, respectively, to expand bilateral co-  
10 operation to combat illicit gold mining;

11 (6) to work with governments in the Western  
12 Hemisphere, bolster the effectiveness of anti-money  
13 laundering efforts to combat the financing of illicit  
14 actors in Latin America and the Caribbean and  
15 counter the laundering of proceeds related to illicit  
16 gold mining by—

17 (A) fostering international and regional co-  
18 operation and facilitating intelligence sharing,  
19 as appropriate, to identify and disrupt financial  
20 flows related to the illicit gold mining, traf-  
21 ficking, and commercialization of gold and  
22 other minerals and illicit metals; and

23 (B) supporting the formulation of strate-  
24 gies to ensure the compliance of reporting insti-  
25 tutions involved in the mining sector and to

1 promote transparency in mining-sector trans-  
2 actions;

3 (7) to support foreign government efforts—

4 (A) to increase regulations of the ASM sec-  
5 tor;

6 (B) to facilitate licensing and formalization  
7 processes for ASM miners;

8 (C) to create and implement environmental  
9 safeguards to reduce the negative environmental  
10 impact of mining on sensitive ecosystems; and

11 (D) to develop mechanisms to support reg-  
12 ulated artisanal mining as a job growth area;

13 (8) to engage the mining industry to encourage  
14 the building of technical expertise in best practices,  
15 environmental safeguards, and access to new tech-  
16 nologies;

17 (9) to support the establishment of gold com-  
18 modity supply chain due diligence, responsible  
19 sourcing, tracing and tracking capacities, and stand-  
20 ards-compliant commodity certification systems in  
21 countries in Latin America and the Caribbean, in-  
22 cluding efforts recommended in the OECD Due Dili-  
23 gence Guidance for Responsible Supply Chains of  
24 Minerals from Conflict-Affected and High Risk  
25 Areas, Third Edition (2016);

1           (10) to engage with civil society, including the  
2           indigenous communities that are directly impacted,  
3           to reduce the negative environmental impacts of  
4           ASM, particularly—

5                   (A) the use of mercury in preliminary re-  
6                   fining and in extracting gold;

7                   (B) the destruction of tropical forests;

8                   (C) the construction of illegal and unregu-  
9                   lated dams and the resulting valley floods;

10                  (D) the pollution of water resources and  
11                  soil; and

12                  (E) the release of dust, which can contain  
13                  toxic chemicals and heavy metals that can cause  
14                  severe health problems;

15           (11) to aid and encourage ASM miners—

16                   (A) to formalize their business activities,  
17                   including through skills training, technical and  
18                   business assistance, and access to financing,  
19                   loans, and credit;

20                   (B) to utilize environmentally safe and sus-  
21                   tainable mining practices, including by scaling  
22                   up the use of mercury-free gold refining and ex-  
23                   tracting technologies, and mining methods and  
24                   technologies that do not result in deforestation,  
25                   forest destruction, air pollution, water and soil-

1 contamination, and other negative environ-  
2 mental impacts associated with ASM;

3 (C) to reduce the costs associated with for-  
4 malization and compliance with mining regula-  
5 tions;

6 (D) to fully break away from the influence  
7 of illicit actors who leverage the control of terri-  
8 tory and use violence to extort miners and push  
9 them into illicit arrangements;

10 (E) to adopt and utilize environmentally  
11 safe and sustainable mining practices, includ-  
12 ing—

13 (i) mercury-free gold refining and ex-  
14 tracting technologies; and

15 (ii) extractive techniques that do not  
16 result in—

17 (I) forest clearance and water  
18 contamination; or

19 (II) the release of dust or uncon-  
20 trolled tailings containing toxic chemi-  
21 cals;

22 (F) to pursue alternative livelihoods out-  
23 side the mining sector; and

24 (G) to fully access public social services in  
25 ASM-dependent communities;

1           (12) to support and encourage socioeconomic  
2           development programs, law enforcement capacity-  
3           building programs, and support for relevant inter-  
4           national initiatives, including by providing assistance  
5           to achieve such ends by implementing the Strategy;

6           (13) to interrupt the illicit gold trade in Nica-  
7           ragua, including through the use of United States  
8           punitive measures against the government led by  
9           President Daniel Ortega and Vice-President Rosario  
10          Murillo and their collaborators pursuant to Execu-  
11          tive Order 14088 (relating to taking additional steps  
12          to address the national emergency with respect to  
13          the situation in Nicaragua), which was issued on Oc-  
14          tober 24, 2022;

15          (14) to assist local journalists with investiga-  
16          tions of illicit mining, trafficking, and commer-  
17          cialization of gold and its supplies in the Western  
18          Hemisphere; and

19          (15) to promote responsible sourcing and due  
20          diligence at all levels of gold supply chains.

21          (c) CHALLENGES ASSESSED.—The Strategy shall in-  
22          clude an assessment of the challenges posed by, and policy  
23          recommendations to address—

24                  (1) linkages between ASM sector production  
25                  and trade, particularly relating to gold, to the activi-

1 ties of illicit actors, including linkages that help to  
2 finance or enrich such illicit actors or abet their ac-  
3 tivities;

4 (2) linkages between illicit or grey market  
5 trade, and markets in gold and other metals or min-  
6 erals and legal trade and commerce in such commod-  
7 ities, notably with respect to activities that abet the  
8 entry of such commodities into legal commerce, in-  
9 cluding—

10 (A) illicit cross-border trafficking, includ-  
11 ing with respect to goods, persons and illegal  
12 narcotics;

13 (B) money-laundering;

14 (C) the financing of illicit actors or their  
15 activities; and

16 (D) the extralegal entry into the United  
17 States of—

18 (i) metals or minerals, whether of  
19 legal foreign origin or not; and

20 (ii) the proceeds of such metals or  
21 minerals;

22 (3) linkages between the illicit mining, traf-  
23 ficking, and commercialization of gold, diamonds,  
24 and precious metals and stones, and the financial



1 and political activities of the regime of Nicolás  
2 Maduro of Venezuela;

3 (4) factors that—

4 (A) produce linkages between ASM miners  
5 and illicit actors, prompting some ASM miners  
6 to utilize mining practices that are environ-  
7 mentally damaging and unsustainable, notably  
8 mining or related ore processing practices  
9 that—

10 (i) involve the use of elemental mer-  
11 cury; or

12 (ii) result in labor, health, environ-  
13 mental, and safety code infractions and  
14 workplace hazards; and

15 (B) lead some ASM miners to operate in  
16 the extralegal or poorly regulated informal sec-  
17 tor, and often prevent such miners from im-  
18 proving the socioeconomic status of themselves  
19 and their families and communities, or hinder  
20 their ability to formalize their operations, en-  
21 hance their technical and business capacities,  
22 and access finance of fair market prices for  
23 their output;

1           (5) mining-related trafficking in persons and  
2           forced or coerced labor, including sex work and child  
3           labor; and

4           (6) the use of elemental mercury and cyanide in  
5           ASM operations, including the technical aims and  
6           scope of such usage and its impact on human health  
7           and the environment, including flora, fauna, water  
8           resources, soil, and air quality.

9           (d) FOREIGN ASSISTANCE.—The Strategy shall de-  
10          scribe—

11           (1) existing foreign assistance programs that  
12           address elements of the Strategy; and

13           (2) additional foreign assistance resources need-  
14           ed to fully implement the Strategy.

15           (e) SUBMISSION.—Not later than 180 days after the  
16          date of the enactment of this Act, the President shall sub-  
17          mit the Strategy to the appropriate congressional commit-  
18          tees.

19           (f) BRIEFING.—Not later than 180 days after sub-  
20          mission of the Strategy, and semiannually thereafter for  
21          the following 3 years, the Secretary of State, or the Sec-  
22          retary’s designee, shall provide a briefing to the appro-  
23          priate congressional committees regarding the implemen-  
24          tation of the strategy, including efforts to leverage inter-  
25          national support and develop a public-private partnership

1 to build responsible gold value chains with other govern-  
2 ments.

3 **SEC. 5. CLASSIFIED BRIEFING ON ILLICIT GOLD MINING IN**  
4 **VENEZUELA AND NICARAGUA.**

5 Not later than 90 days after the date of the enact-  
6 ment of this Act, the Secretary of State, or the Secretary's  
7 designee, in coordination with the Director of National In-  
8 telligence, shall provide a classified briefing to the appro-  
9 priate congressional committees, the Select Committee on  
10 Intelligence of the Senate, and the Permanent Select Com-  
11 mittee on Intelligence of the House of Representatives  
12 that describes—

13 (1) the activities related to illicit gold mining,  
14 including the illicit mining, trafficking, and commer-  
15 cialization of gold—

16 (A) inside Venezuelan territory carried out  
17 by illicit actors, including defectors from the  
18 Revolutionary Armed Forces of Colombia  
19 (FARC) and members of the National Libera-  
20 tion Army (ELN); and

21 (B) inside Nicaragua carried out by state-  
22 owned mining companies such as Empresa  
23 Nicaraguense de Minas (ENIMINAS);

24 (2) Venezuela's illicit gold trade with foreign  
25 governments, including the Government of the Re-

1 public of Turkey and the Government of the Islamic  
2 Republic of Iran; and

3 (3) Nicaragua’s illicit gold trade with foreign  
4 governments, including the Venezuelan regime and  
5 the Government of Russia.

6 **SEC. 6. INVESTIGATION OF THE ILLICIT GOLD TRADE IN**  
7 **VENEZUELA.**

8 The Secretary of State, in coordination with the Sec-  
9 retary of the Treasury, the Attorney General, and allied  
10 and partner governments in the Western Hemisphere,  
11 shall seek to—

12 (1) lead a coordinated international effort to  
13 carry out financial investigations to identify and  
14 track assets taken from the people and institutions  
15 in Venezuela that are linked to money laundering  
16 and illicit activities, including mining-related activi-  
17 ties, by sharing financial investigations intelligence,  
18 as appropriate and as permitted by law; and

19 (2) provide technical assistance to help eligible  
20 governments in Latin America establish legislative  
21 and regulatory frameworks that bolster legal mecha-  
22 nisms to disrupt illicit mining, including by sup-  
23 porting the capacity to impose and effectively imple-  
24 ment targeted sanctions on—

1 (A) officials of the Maduro regime or any  
2 successor thereof not installed through free or  
3 fair elections who are directly engaged in the il-  
4 licit mining, trafficking, and commercialization  
5 of gold; and

6 (B) foreign persons engaged in the laun-  
7 dering of illicit gold assets linked to designated  
8 terrorist and drug trafficking organizations.

9 **SEC. 7. LEVERAGING INTERNATIONAL SUPPORT.**

10 In implementing the Legal Gold and Mining Partner-  
11 ship Strategy pursuant to section 4, the President should  
12 direct United States representatives accredited to relevant  
13 multilateral institutions and development banks and  
14 United States ambassadors in the Western Hemisphere to  
15 use the influence of the United States to foster inter-  
16 national cooperation to achieve the objectives of this Act,  
17 including—

18 (1) marshaling resources and political support;

19 and

20 (2) encouraging the development of policies and  
21 consultation with key stakeholders to accomplish  
22 such objectives and provisions.

1 **SEC. 8. PUBLIC-PRIVATE PARTNERSHIP TO BUILD RESPON-**  
2 **SIBLE GOLD VALUE CHAINS.**

3 (a) BEST PRACTICES.—The Administrator of the  
4 United States Agency for International Development (re-  
5 ferred to in this section as the “Administrator”), in co-  
6 ordination with the Governments of Colombia, of Ecuador,  
7 and of Peru, and with other democratically elected govern-  
8 ments in the region, shall consult with the Government  
9 of Switzerland regarding best practices developed through  
10 the Swiss Better Gold Initiative, a public-private partner-  
11 ship that aims to improve transparency and traceability  
12 in the international gold trade.

13 (b) IN GENERAL.—The Administrator shall coordi-  
14 nate with the Governments of Colombia, Ecuador, Peru,  
15 and other democratically elected governments in the re-  
16 gion determined by the Administrator to establish a pub-  
17 lic-private partnership to advance the best practices identi-  
18 fied in subsection (a), including supporting programming  
19 in participating countries that will—

20 (1) support formalization and compliance with  
21 appropriate environmental and labor standards in  
22 ASM gold mining;

23 (2) increase access to financing for ASM gold  
24 miners who are taking significant steps to formalize  
25 their operations and comply with labor and environ-  
26 mental standards;

1           (3) enhance the traceability and support the es-  
2           tablishment of a certification process for ASM gold;

3           (4) support a public relations campaign to pro-  
4           mote responsibly-sourced gold;

5           (5) include representatives of local civil society  
6           and indigenous communities to work towards solici-  
7           tating the free and informed consent of those living  
8           on lands with mining potential;

9           (6) facilitate contact between vendors of respon-  
10          sibly-sourced gold and United States companies; and

11          (7) promote policies and practices in partici-  
12          pating countries that are conducive to the formaliza-  
13          tion of ASM gold mining and promoting adherence  
14          of ASM to internationally-recognized best practices  
15          and standards.

16          (c) MEETING.—The Secretary of State or the Admin-  
17          istrator, without delegation and in coordination with the  
18          governments of participating countries, should—

19                (1) host a meeting with senior representatives  
20                of the private sector and international governmental  
21                and nongovernmental partners; and

22                (2) make commitments to improve due diligence  
23                and increase the responsible sourcing of gold.

1 **SEC. 9. AUTHORIZATION OF APPROPRIATIONS.**

2       There is authorized to be appropriated to the Depart-  
3 ment of State \$10,000,000 to implement the Legal Gold  
4 and Mining Partnership Strategy developed pursuant to  
5 section 4.

○