A new study by development agency Swissaid reveals a hemorrhaging of Africa's golden potential. In 2022 alone, an estimated 435 tonnes of gold, valued at $31 billion, were smuggled out of the continent. This staggering amount could have significantly reduced debt burdens for several African nations.

The report highlights a concerning trend: the volume of smuggled gold doubled between 2012 and 2022. Much of this gold ends up in the United Arab Emirates (UAE), where it's reprocessed and reintroduced to the global market, making its origin difficult to trace.

The Democratic Republic of Congo (DRC), a nation already ravaged by conflict, is a prime example. The report identifies the war-torn eastern DRC as a hotspot for smuggled gold, often controlled by rebel groups. Similar situations exist in Sudan, where militias are alleged to be profiting from gold sales to fund their activities.

Experts point to Africa's limited gold refining capacity as a key factor. With only 16 operational refineries compared to roughly 125 industrial mines, the continent lacks the infrastructure to process its own resources. This creates an opportunity for smuggling networks to flourish.

"This situation is deeply problematic," says Marc Ummel, co-author of the study. "Smuggled gold often finances conflicts and human rights abuses, while depriving African nations of vital tax revenue."

The report also raises concerns about the prevalence of artisanal mining, a small-scale, often unregulated practice. Artisanal mines are notorious for unsafe working conditions and links to armed groups who exploit miners and use gold sales to fund their activities.

The findings of the Swissaid study have sparked calls for action. Experts urge African governments to invest in gold refining infrastructure and implement stricter regulations to combat smuggling.