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## United States Senate

COMMITTEE ON FOREIGN RELATIONS

WASHINGTON, DC 20510-6225

December 18, 2024

The Honorable Gene Dodaro  
Comptroller General of the United States  
U.S. Government Accountability Office  
441 G Street, N.W.  
Washington, D.C. 20548

Dear Mr. Dodaro:

We are writing to request that the Government Accountability Office (GAO) review the increasingly dangerous role that criminal organizations are playing in illegal mining across Latin America and the Caribbean, and the efforts by the United States Government to counter and disrupt this trend. Illegal mining across Latin America and the Caribbean poses severe threats to international law, human rights, and the environment, enabling corruption and contributing to migration, which necessitates increased attention and action, particularly by the United States and its partners in the Hemisphere.

The last decade has seen a boom in illegal mining operations in the Western Hemisphere, which provide transnational criminal organizations (TCOs) with a profitable source of income beyond once traditional revenue streams, such as narcotics trafficking. TCOs are able to exploit existing drug trafficking routes, corrupt officials, lack of effective state presence, weak rule of law, and proven smuggling strategies to traffic illegally mined metals and minerals. In turn, illegal mining provides a significantly profitable new avenue for TCOs to exploit a legal commodity, as illegally mined materials are easily commingled with legal trade, further masking TCO involvement.

Illegal gold is a key and growing source of financing for TCOs throughout the Hemisphere. While Latin America's criminal organizations used to make most of their profits off of drug trafficking, recent evidence is showing that they can earn more from illegal gold alone, particularly in Colombia, Peru, and the Brazilian Amazon. Criminal groups have also been able to expand territorial control and transnational links while reducing their legal risks thanks to illegal gold mining. In Ecuador, for example, Los Lobos, which is linked to Mexican Jalisco New Generational Cartel, reportedly controls and operates some 20 gold mines across the country, in alliance with Venezuela's Tren de Aragua.

Authoritarian governments have also actively joined the illegal gold market to build power, buy loyalty, perpetuate human rights violations, and evade international sanctions. Venezuela's Nicolas Maduro and Nicaragua's Daniel Ortega both use illegal gold mining to retain their dictatorial grasp on power and maintain the loyalty of military leadership.

Illegal mining has significant environmental consequences. Large swaths of the Amazon rainforest have been destroyed due to illegal mining, and the pace of destruction of this vital ecosystem is only quickening. The frequent use of mercury to extract gold from sediments results in long-lasting soil, air, and water pollution, which will have a generational impact on public health around the Hemisphere including in the United States. An estimated 70% of mercury found in United States soil and water comes from global sources, and the mercury is heavily contaminating fish species well beyond established limits from the Environmental Protection Agency.

Illegal mining also directly and indirectly drives migration in the Western Hemisphere by causing environmental destruction, which displaces communities reliant on agriculture and fishing, and by fostering violence and insecurity as TCOs and corrupt governments consolidate control over the sector. These conditions exacerbate economic instability and weaken governance, pushing many individuals to leave their homes in search of safety or better opportunities. Indigenous and rural communities are particularly vulnerable to displacement as a result of contaminated water, deforestation, exploitation, or threats. Such instability often crosses borders, pushing individuals to migrate to urban centers or to embark on the dangerous journey to the United States.

United States foreign assistance is starting to recognize this growing threat to U.S. national security interests, and programming is being designed across multiple agencies to directly or indirectly respond to illegal mining. For example, the Bureau of International Narcotics and Law Enforcement (INL) and the U.S. Agency for International Development (USAID) both have dedicated programming to combatting illegal mining, either through enhanced law enforcement, civil society advocacy, local and national institutional strengthening, rule of law improvements, and environmental programming. The Bureau of Oceans and International Environmental and Scientific Affairs plays an important role in countering mercury trafficking and protecting Amazonian resources from the threats posed by environmental crime like illegal mining. Many U.S. law enforcement efforts also run through the FBI, Treasury, and Customs and Border Protection aimed at apprehending and punish criminal networks trying to profit and engage in money laundering from illegal mining.

However, it does not appear that the U.S. has a clearly articulated strategy for addressing illegal mining and its role as arguably the dominant source of financing for TCOs and other corrupt and criminal actors across the Western Hemisphere. Similarly, there is a lack of clarity over the magnitude of illegal mining in the hemisphere and the full scope of the challenges it poses for U.S. interests and regional security, including its connection with drug trafficking.

This lack of information presents a serious challenge to our ability as members of Congress to conduct oversight of U.S. assistance and policies to combat illegal mining in the Western Hemisphere, including limiting our ability to ascertain whether there exists a coordinated interagency approach capable of addressing the issue. For that reason, we request that the GAO initiate an in-depth assessment on the extent of illegal mining in the Western Hemisphere and related effects, current U.S. government efforts to address such challenges, and what more can be done.

Specifically, we request that the GAO's review examine and provide insight into, at a minimum, the following items:

1. The latest country-by-country information on the scale of illegal mining in Latin America and the Caribbean, the degree to which such activities are worsening, and the specific criminal organizations involved in such operations.
2. The latest information on the magnitude of revenue TCOs in Latin America and the Caribbean receive from illegal mining, the proportion of TCOs' overall revenue that derives from illegal mining relative to other criminal activities, and how that proportion has shifted over the last decade.
3. An assessment on the challenges such illegal mining activities pose for U.S. national interests and regional security, democratic governance, and protection of environmental resources, including information on the degree of interconnectedness between illegal mining and drug trafficking, human trafficking, and other forms of environmental crime.

4. The latest information on how illegal mining and participation in illegal gold markets is contributing to authoritarian governments' hold on power in Venezuela and Nicaragua.
5. Information on the most common means by which illegally mined metals and minerals in the region enter legitimate supply chains and the proportion of such materials estimated to be entering the U.S on an annual basis.
6. The measures being taken by governments in Latin America and the Caribbean as well as by the United States government to counter illegal mining by TCOs and strengthen traceability and transparency over relevant supply chains.
7. The amount in foreign assistance, broken down by relevant agencies and bureaus, that the U.S. government has provided for each of the last five fiscal years to counter illegal mining in the hemisphere, and information on how such assistance compares to resources dedicated to counter drug trafficking in the hemisphere for the same period of time.
8. The results of efforts by U.S. agencies and their regional counterparts to address illegal mining in the hemisphere, including metrics to assess their effectiveness and information on what gaps, if any, exist in such efforts.
9. An assessment of the current status and effectiveness of inter-agency coordination to address illegal mining in Latin America and the Caribbean, and recommendations for improving such coordination.
10. What additional, enhanced, or modified foreign assistance would be helpful to regional efforts to counter illegal mining and improve the traceability and transparency of relevant supply chains.
11. An assessment of any statutory gaps that have limited the ability of U.S. agencies to go after illegal mining or other foreign environmental crimes engaged in by TCOs, including the need for additional sanction authorities or law enforcement tools specific to environmental crimes.

We appreciate your attention to this request and your cooperation as we seek more information on this important topic. We ask that GAO begin this work as soon as possible and provide our offices with regular updates on the status of the work, including any access issues or other challenges impeding it.

Should you have additional questions regarding this request, please contact Guy Mentel ([Guy\\_Mentel@foreign.senate.gov](mailto:Guy_Mentel@foreign.senate.gov)) with the Senate Foreign Relations Committee, JC Jain ([JC\\_Jain@kaine.senate.gov](mailto:JC_Jain@kaine.senate.gov)) with Senator Kaine, Joel Hirst ([Joel\\_Hirst@cassidy.senate.gov](mailto:Joel_Hirst@cassidy.senate.gov)) with Senator Cassidy, Radhika Prabhu ([Radhika.Prabhu.FAD@mail.house.gov](mailto:Radhika.Prabhu.FAD@mail.house.gov)) with the House Foreign Affairs Committee, Sid Ravishankar ([Sid.Ravishankar@mail.house.gov](mailto:Sid.Ravishankar@mail.house.gov)) with Representative Castro, and Austin Johnson ([Austin.Johnson@mail.house.gov](mailto:Austin.Johnson@mail.house.gov)) with Representative Salazar.

Sincerely,



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