

How jihadists struck gold in Africa's Sahel

A REUTERS SPECIAL REPORT



POWER: An artisanal miner holds a gold nugget at an unlicensed mine in Gaoua, Burkina Faso. REUTERS/Luc Gnago

As al Qaeda and Islamic State expand in Africa, hundreds of gold mines are bringing a billion-dollar trade within their reach.

By [DAVID LEWIS](#) and [RYAN MCNEILL](#) | Filed Nov. 22, 2019, 10 a.m. GMT

OUAGADOUGOU – People around Pama, a West African town on the edge of vast forested conservation areas, had long been forbidden by their government to dig for gold in the reserves, to protect antelope, buffalo and elephants.

In mid-2018, men wearing turbans changed the rules.

Riding in with assault rifles on motorbikes and in 4X4 trucks, they sent government troops and rangers fleeing from the area in eastern Burkina Faso bordering the Sahel, a belt of scrubland south of the Sahara Desert.

The armed men said residents could mine in the protected areas, but there would be conditions. Sometimes they demanded a cut of the gold. At other times they bought and traded it.

The men “told us not to worry. They told us to pray,” said one man who gave his name as Trahore and said he had worked for several months at a mine called Kabonga, a short drive northwest of Pama. Like other miners who spoke to Reuters, he asked not to be identified for fear of retribution. It was not safe for reporters to visit the region, but five other miners who had been to Kabonga corroborated his account.

“We called them ‘our masters,’” Trahore said.



PATROL: Soldiers from Burkina Faso in the Sahel area in March. REUTERS/Luc Gnago

The pits around Pama are no isolated case. Groups linked to al Qaeda and Islamic State, having lost ground in the Middle East, are expanding in Africa and exploiting gold mines across the region, data on attacks and interviews with two dozen miners and residents, and government and security officials, show. Besides attacking industrial operations, two of the world's most feared extremist forces are tapping the \$2 billion informal gold trade in Burkina Faso, Mali and Niger – a flow that is already largely out of state control.

Researchers and the United Nations have warned of the risks of armed extremists reaching the region's gold mines; Reuters' analysis of data from Burkina Faso, and testimony from people who have fled mining areas, show this is happening at scale. For the Islamists, the mines are both a hideout and a treasure trove: of funds with which to recruit new members and buy arms, and of explosives and detonators to stage the attacks that extend their power.

A poor country of mainly subsistence farmers, Burkina Faso has in recent years become the focus of a campaign by local insurgents and regional jihadi groups. The violence has killed hundreds of people, including at least 39 gold mine workers ambushed on a road earlier this month. Dozens of robberies and kidnappings have been reported that target mining.

The attacks extend towards hundreds of small-scale mines in Burkina Faso alone. Around 2,200 possible informal gold mines were identified in a government survey of satellite imagery in 2018. About half of them are within 25 km (16 miles) of places where militants have carried out attacks, according to the analysis of incidents which were documented by Armed Conflict Location & Event Data Project (ACLED), a consultancy that tracks political violence.

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■ Video: It's the jihadists' gold now

The militants' advance has traced a route from the north towards the south and the east of the country, according to the analysis, which mapped their movements and mining areas with help from the U.S.-based Countering Wildlife Trafficking Institute, a consultancy with expertise in analysing geospatial data. The militants have carved a path through some of Burkina Faso's richest gold fields, the analysis found.

It is hard to say how much gold the mines produce or exactly who controls them – many are in places where government forces are absent and bandits roam – but the sums involved are huge. In 2018, government officials visited just 24 sites near where attacks had taken place and estimated they produced a total of 727 kg of gold per year – worth about \$34 million at current prices.

Oumarou Idani, Burkina Faso's minister of mines, said in May that Islamists had taken control of some mines, especially in protected areas, where they encouraged camps of miners to dig in violation of government bans. "They fed the camp and bought and sold gold," he said.

Incidents linked to Islamists dropped sharply that month, after military operations helped drive insurgents from mining areas. But by October, the total had almost returned to its peak from before the military actions, the ACLED data shows.

Most of Burkina Faso's informally produced gold is smuggled to its neighbours, particularly Togo, to avoid export taxes, according to the government. From there, it is flown to refineries before it is exported to countries including Saudi Arabia, Turkey, Switzerland and India.

"Our economy is gold mining. There is nothing else."

Moamoudou Rabo, head of a national union of gold miners

"Violent extremists have extended their areas of control and have enhanced their ability to generate income through gold – while state actors remain poorly positioned to do anything about it," said William Linder, a former officer with the Central Intelligence Agency (CIA) who served in West Africa and now runs a risk consultancy.

"Failure to fix this problem now will only deepen and help spread the Sahel crisis."

Burkina Faso's Security Minister, Ousseni Compaore, said the government was not failing: Governments in the region are aware of the risk and working together to tackle it, he said.

In Mali, the U.N. has reported that rebels tax the gold trade in the northern town of Kidal, and in Niger, government officials say Islamists are demanding a share of gold produced in the west.

A senior official in Mali's ministry of mines said it could not rule out the possibility of Islamists tapping into gold, especially in the north, but was working to regulate small-scale mining. Niger's mining minister did not respond to requests for comment.

Attacks and gold mines

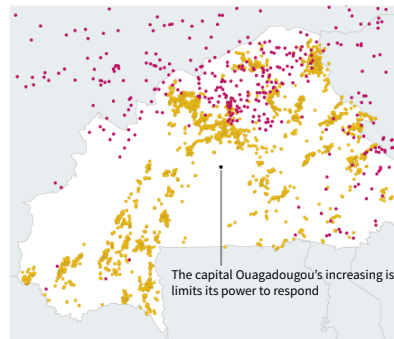
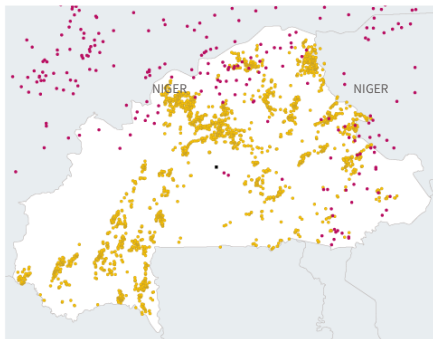
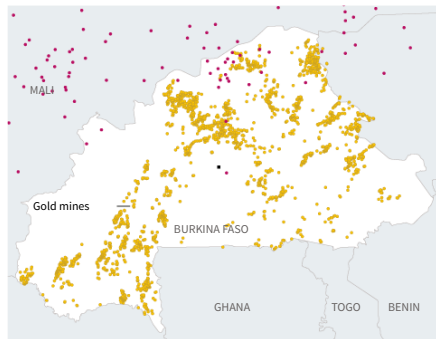
Since 2017, jihadist militants have established a presence across much of Burkina Faso, where small-scale mines produce gold worth up to almost \$1 billion a year. Nearly half of the possible mining sites identified by the government are within 25 km of documented jihadist activities, such as clashes with security forces, abductions and roadside bombings, an analysis by Reuters and Countering Wildlife Trafficking Institute found.



● 2017 most militant Jihadist attacks are in Mali

● 2018 Islamists launch attacks near the border with Niger

● 2019 as attacks intensify and spread, more gold is within militant's reach



States of emergency

Gold has long been an ideal commodity for insurgents: It retains its value; it is widely accepted as a proxy for currency in parts of Africa, the Middle East and Asia; and once refined, it can easily be smelted and smuggled.

Informal mines in Burkina Faso, Mali and Niger produce between them some 50 tonnes of gold, worth \$2 billion, a year, according to estimates by the Organisation for Economic Cooperation and Development (OECD). Of this, small-scale miners in Burkina Faso produce around 15-20 tonnes of gold a year, worth between \$720 million and \$960 million, according to government and OECD estimates.

In 2018, Burkina Faso recorded official exports of only around 300 kg of gold from small-scale mines – around 1.5% to 2% of the country's estimated production – indicating the scale of smuggling.

Informal miners often operate out of sight of the authorities. Burkina Faso's push to locate its small-scale mines found that just 25 had valid permits country-wide, Salofou Trahore, managing director of the government regulator, told Reuters.

Government researchers visited more than 1,000 sites to carry out basic checks, and found that 800 were active. They discovered others not seen in the satellite imagery and looked in-depth at 64 more. But many they could not reach. Large parts of the north and east are out of control of the capital, prompting it to declare states of emergency in 14 of the country's 45 provinces.

Security analysts attribute many of the attacks to al Qaeda's regional affiliate, Jama'at Nusrat al-Islam wal-Muslimin (Group for Support of Islam and Muslims) and a homegrown group named Ansarul Islam (Defenders of Islam). In the east, Islamic State in the Greater Sahara operates in forests that have long been a haven for bandits, smugglers and poachers. None of the groups could be reached.

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OUT OF HAND: Mines Minister Oumarou Idani says Islamists have taken control of mines, feeding people and trading gold.
REUTERS/Luc Gnago

“Nothing else”

In Burkina Faso as elsewhere, jihadist groups are adept at exploiting local grievances to win people over. In a country with annual incomes of just \$660 a head according to the World Bank, government efforts to close off mines to individual diggers – whether for conservation or to make way for big business – are unpopular.

“How many people in Burkina Faso can pay the school fees without artisanal mining?” said Moamoudou Rabo, head of a national union of gold miners. “Our economy is gold mining. There is nothing else.”

At one digging site, Ouargaye in the southeast, miners said Islamists arrived just as local police were demanding bribes from miners who lacked ID cards. The nine policemen were armed, said a miner who was there. Even so, the police sped away on motorbikes. “After that,” the miner recalled, “people said the gunmen were the real masters.” Compaore, the security minister, said it was not possible to verify this report.

In June, hundreds of civilians fleeing a wave of attacks on churches in northern Burkina Faso began showing up on the outskirts of the capital, Ouagadougou. They arrived with only what they could cram onto trucks and buses – a sack of rice, jerry cans for water, pots and pans, mats to sleep on.

Many women and children sought shelter in three dusty school yards. Among them were a handful of young men who had been digging for gold around the remote town of Silgadji, near the border with Mali.



ESCAPE: Zakaria Sawadogo fled from a town near Mali with his family. REUTERS/Anne Mimault

“They were more heavily armed than the soldiers.”

Mason from Bartieboucou in the south who saw pits teeming with fighters

For months, they said, armed extremists who were not from their area had been hiding out among the miners. They had imposed their laws and threatened to kill anyone who spoke about their presence. Zakaria Sawadogo, 43, fled with his family to the capital.

“There used to be traders who would come buy our gold and re-sell it,” he said. “But the terrorists were robbing them as they had lots of money.” The traders stopped coming, he said.

To the south, in the town of Bartieboucou, a mason who spent four months on a construction project in a mining area there said the pits were teeming with fighters.

“They were more heavily armed than the soldiers,” the mason said. “They controlled everything.”

The mason said the gunmen hired some miners to dig for them, buying gold from others. Sometimes the Islamist interlopers gave food to the poor, he said; other times they were ruthless. “We saw two people who were killed for selling alcohol,” he said.

Hidden in the hay

Gold flows out of Burkina Faso across porous land borders in cars and buses. It is strapped to cattle or hidden in bales of hay attached to bicycles. Miners at Kabonga, in an area near Pama reserved for herders to raise their livestock, said buyers included locals and traders from neighbouring countries, including Ghana, Togo, Benin and Niger.

Neighbouring Togo, a country which produces little gold from its own mines, is a smuggling hub.

In recent years, the United Arab Emirates – a global centre for gold refining and trading – has established itself as the main destination for gold from Togo, declaring imports of more than 7 tonnes (worth \$262 million) in 2018, according to U.N. trade data. In turn, Saudi Arabia, Turkey and Switzerland are the main takers of gold from the UAE.

2%

of Burkina Faso's small-scale gold output is exported through official channels

In early 2019, international officials pressured Togo to act to prevent gold-smuggling, fearing the trade was driving conflict in the region, a person with direct knowledge of the initiative told Reuters. Nestor Adjehoun, director of development and control in Togo's ministry of mines, said gold trading had been suspended there since the beginning of the year to make the trade more transparent. Togo's 2018 export figures were not available in U.N. data.

Gold isn't always carried through neighbouring countries. Those with connections and means can smuggle it out of Burkina Faso via Ouagadougou's international airport, one former gold smuggler with years of experience in West Africa told Reuters.

Gold-trafficking networks, aided by corrupt officials, are funnelling gold out of the country by air, Evariste Somda, a top Burkinabe customs officer, said in response. The flow is depriving the country of millions of dollars in revenue and customs officers are trying to stem it, he said.

The International Crisis Group, a Brussels-based think tank, last week called on the UAE to tighten up regulations to prevent the gold trade being used to finance terrorism. A senior UAE official said the country maintains robust regulation in line with international standards.

Operation Firestorm

Burkina Faso's government has tried to contain the militants.

In January, miners said, the military dropped leaflets from helicopters telling miners to leave sites around Kabonga. The next month, the military said its forces had killed around 30 fighters in airstrikes and ground operations in the area.



RESEARCHER: Security consultant Mahamadou Savadogo says at least 15 mines are still occupied by Islamist fighters. REUTERS/Anne Mimault

The government banned small-scale mining across the east and much of northern Burkina Faso, and government troops mounted a six-week offensive, dubbed Operation Firestorm, to restore state authority in the east. On April 12, General Moise Miningou, head of Burkina Faso's armed forces, declared at a news conference: "Our mission was accomplished."

In the north, the government launched a similar effort, Operation Uprooting, in May, which is still ongoing.

But more than 500 deaths have been recorded in violence linked to jihadist groups in both regions since June.

As of September, Islamist fighters occupied at least 15 mines in the east of the country, giving them direct control over production and sales, said Mahamadou Savadogo, a security consultant and former Burkinabe gendarme who is researching the insurgency.

Despite government bans, mining continues in areas where Islamists operate: In October, 20 people were killed in an attack by suspected jihadists on an informal gold-mining site in the northern province of Soum, security sources said.

Today, it is unclear who controls Kabonga, the mine near the wildlife-rich reserve by the Sahel.

“The Kabonga forest is immense,” Security Minister Ousseni Compaore told Reuters in June. “We cannot exclude the idea that some might have pulled back and hidden so they can return later.”

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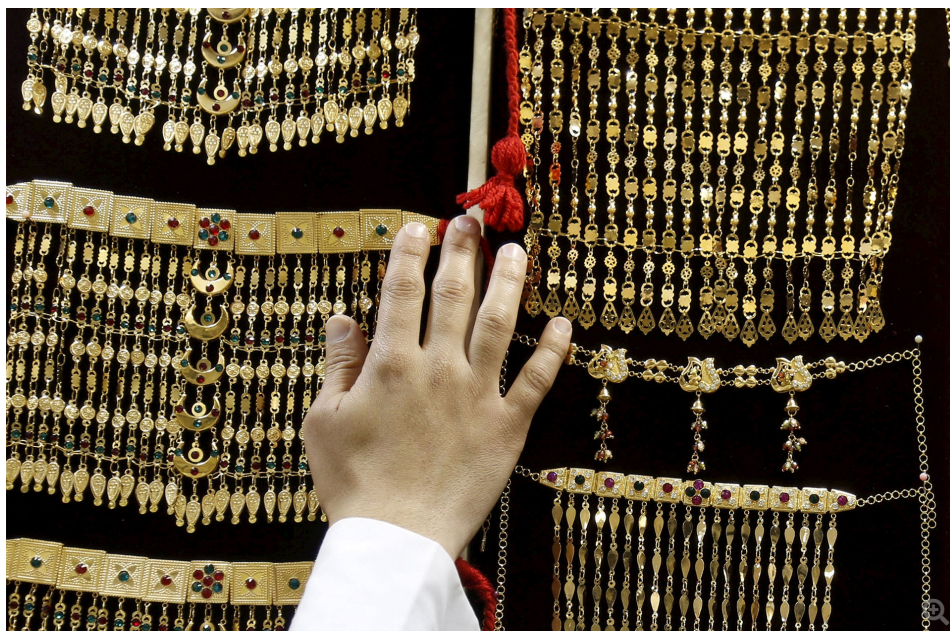


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RIYADH: Much of Burkina Faso's gold goes via Togo to UAE. The UAE's main export market in 2018 was Saudi Arabia. Here, jewellery at a store in the capital. REUTERS/Faisal Al Nasser

New Gold Rush

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