



Australian Sanctions Office

ADVISORY NOTE

SANCTIONS RISKS WITH GOLD SMUGGLING

Date: 06 November 2025

This **ADVISORY NOTE** is produced by the Australian Sanctions Office (ASO) and the Australian Border Force (ABF) to inform the regulated community of a developing issue presenting significant sanctions risk. It provides a summary of relevant sanctions laws but does not cover all possible sanctions risks. Users should consider all applicable sanctions measures and seek independent legal advice. This document should not be used as a substitute for legal advice. Users are responsible for ensuring compliance with Australian sanctions laws.

Gold Smuggling

The origin of gold, once melted down and recast or refined, cannot be determined by examination, as any hallmarks are lost. Imports of mined gold can also be easily disguised. By masking the origin, new Russian gold can then be sold on to another country who may be unaware of the true origin. Supply chain tracing is therefore highly reliant on record keeping.

Countries classified as high risk for sanctions contraventions—including Russia, the Democratic People's Republic of Korea, and Iran—are under close watch for gold-related transactions with India or the United Arab Emirates (UAE). The use of cryptocurrencies may increase sanctions risks. When identifying or investigating potential sanctions evasion related to the gold trade, the following typologies may suggest efforts to bypass sanctions controls.

- Gold shipments routed through jurisdictions commonly involved in the gold trade (such as India, Kyrgyzstan, UAE, Türkiye).
 - Of note, gold exported from Russia since 21 July 2022 is increasingly being shipped to countries that do not apply sanctions on Russian gold.
- Poor documentation relating to the sale, including missing information, lack of assay certificate, or proof of origin/refining, indications of potential under or overvaluation of the gold vs market price.
- Clients with no prior gold trading history suddenly involved in large purchases or trade, including newly formed companies with no clear history.
- Transactions with refiners or brokers with opaque ownership.
- Payments made by, or to, third parties not listed in the trade documents.
- Use of cryptocurrency, barter or netting arrangements for settlement of gold trades.
- Requests to process transactions in non-USD, AUD or EUR currencies, such as AED, RMB, gold tokens or cryptocurrencies, or via non-traditional payment providers.
- Reluctance to disclose further information when requested.

- Unusual methods of import, including cargo movements, evidence of ship-to-ship transfer, or use of private jets or vessels.
- Unrealistic pricing of gold.
- Unusually high volume/value of cash-based transactions.
- Significant increase in volume of gold processed or traded.
- Source of gold is listed as a country with limited known reserves.

Further information and resources

While this advisory note provides a framework for understanding key sanctions risks and compliance requirements, it is essential to remember that it does not cover every possible scenario. Sanctions compliance is an ongoing obligation rather than a one-time assessment. Sanctions measures and associated risks are constantly evolving, requiring regulated entities to continuously monitor and reassess their compliance strategies. Australian regulated entities are encouraged to seek independent legal advice tailored to their specific situations and ensure thorough due diligence in all activities.

We recommend users also refer to the following resources to assist in their evaluation of sanctions risks:

- [Sanctions Compliance Toolkit](#)
- [Sanctions Risk Assessment Tool](#)
- OECD Due Diligence Guidance on Responsible Supply Chains of Minerals from Conflict-Affected and High Risk Areas: Third Edition 2016: [OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas | OECD](#)

Further information is available on the [Department's website](#), or by making an enquiry to sanctions@dfat.gov.au.