Global Witness in collaboration with Swiss Aid has recently published an article entitled ‘*Beneath The Shine: A Tale of Two Gold Refiners’*, which contains various allegations which are entirely untrue and various misleading, negative inferences which are illegitimately and unreasonably made. In doing so, Global Witness(“GW”) has presented no cogent evidence of any wrongdoing of any kind and fails to make reference to even a single transaction which may even give rise to a suspicion of the type of behaviour they describe.

GW’s communication with us prior to this publication demonstrated a worrying lack of understanding of the relevant OECD guidelines and DMCC requirements and how industry operators are audited against these annually by independent, top tier accountants to identify risk. Kaloti has successfully fulfilled these audit requirements and has been found to meet the required standards.

Kaloti has never sourced any gold from Sudan other than by way of Sudan Government approved exports and has neither sourced gold from Darfur nor (as repeatedly claimed by GW) from the Central Bank of Sudan. Furthermore, Kaloti has never sent any gold material, sourced from Sudan, to any Swiss refinery whatsoever. Kaloti have all the relevant supporting documentation to demonstrate the propriety of their transactions in Sudan and Global Witness were made aware of this in advance of making this publication, notably, however, they never requested to inspect any of it.

Kaloti has operated and continues to operate diligently and responsibly within the requirements of the relevant global regulators and legal bodies that govern compliance in the gold industry. It is therefore regrettable that Kaloti finds itself having to respond to such baseless accusations, demonstrative of a publisher having little, if any, understanding or experience of the relevant regulatory framework or the industry itself. The OECD has produced guidelines, which Kaloti has complied fully with and in doing so addressed all relevant steps to be taken when trading with regions where risks are increased due to specific circumstances in those locations.

There are a number of qualified and competent regulators and authorities globally, whose mandates, funding and agendas are clear and transparent, and who have the expertise, understanding and authority to regulate the precious metals industry effectively; none of whom have raised any allegation of serious wrongdoing against Kaloti, ever. Despite not having access to the voluminous, confidential information about Kaloti’s business which these regulators and authorities have in performing their mandate, Global Witness has nevertheless decided to publish an article littered with material errors of fact and speculative conclusions unsupported by reliable evidence. Whatever the motivation of GW in publishing this type of material, its content will not withstand even cursory scrutiny. Kaloti has and will continue to comply with all its legal and regulatory obligations, as it has done consistently, to the satisfaction of the competent authorities who are mandated and qualified to consider, by reference to objective standards and primary evidence, Kaloti’s compliance.

GW has been asked to identify the transaction(s) which cause it concern and Kaloti has offered to review those transactions. Tellingly, and given that GW has now been investigating Kaloti since around 2013, they have been unable to identify any transaction(s) or provide any evidence of the presence of conflict material in Kaloti’s supply chains or of any wrongdoing by Kaloti of the type they describe.

Kaloti denies all allegations and/or inferences made by GW about it in the article, relating to to any impropriety or failure to comply with its relevant regulatory and legal obligations.