



## The Africa Mining Vision: Prospects and Challenges for Implementing Countries

W. R. Nadège Compaoré

### Executive summary

The Africa Mining Vision (AMV), endorsed by the African Union (AU) in February 2009, is a regional policy framework that seeks to address the paradox of a resource-rich continent that continues to see enduring poverty. In order to encourage a context-specific domestication process of the AMV, AU member states are expected to develop a Country Mining Vision (CMV). CMVs facilitate national ownership of the AMV process, with the ultimate aim of yielding an equitable, inclusive and beneficial use of mineral resources in African countries. This policy brief highlights key prospects and challenges of the country-level implementation process, and also offers key recommendations. It is a timely assessment, given that the Vision is almost a decade old, and given ongoing legal reforms in many mineral-rich African countries, where host states are seeking greater agency in their mining sectors.

### Key points

- ❖ The AMV is a developmental strategy that speaks to the structural issues plaguing the mineral sector in Africa. A notable route through which the AMV proposes to address these structural issues is to improve the knowledge infrastructure and technical capacity of host African states vis-à-vis their mining sector, and across the entire minerals value chain.
- ❖ One of the main instruments of the AMV is its Action Plan, which was adopted in 2011. Additionally, the African Minerals Development Centre (AMDC) developed the Country Mining Vision (CMV) Guidebook in 2014 to support member countries in implementing the Vision. The CMV recognizes that implementation of the AMV by adhering countries will have to be contextual, and therefore requires an institutional framework that is suited to the local and national needs of the implementing country. In short, the CMV speaks strongly to the focus on country agency in the governance of mineral resources.
- ❖ While the CMV is a much-needed tool in the domestication process of the AMV, challenges remain in the implementation process due to varying levels of political will and regulatory capacities among African countries, whereby some governments have shown more commitment to the ideals of the AMV than others. Thus, moving forward into the next phase of the AMV, it will be crucial to address the commitment and capacity gaps in implementing countries.

## Between collective vision and national ownership

The AMV, a framework adopted by African Heads of State at the 2009 AU Summit, seeks to foster the transparent, equitable and optimal exploitation of mineral resources. It is a holistic approach that moves beyond a mere focus on economic growth and includes social, political and environmental considerations. It also aims to “integrat[e] mining much better into development policies at local, national and regional levels.”<sup>1</sup> For instance, one of the primary areas of intervention of the AMV is to focus on the contract stage. The rationale is that by improving the bargaining power of mineral-rich African states, the latter can negotiate better contracts that address local needs – such as guidelines for formalizing artisanal and small-scale mining (ASM), local content policy requirements and the promotion of local entrepreneurship.

The Vision has been informed by existing initiatives at the sub-regional and regional levels, such as the Yaoundé Vision on Artisanal and Small-Scale Mining or the Africa Mining Partnership’s Sustainable Development Charter and Mining Policy Framework. Examples of global initiatives that have also informed the AMV are the Extractive Industries Transparency Initiative (EITI) created in 2002, and the Kimberley Process established in 2003.<sup>2</sup> The Vision has thus benefitted from key lessons learned from these policy frameworks, key of which is the importance of a country’s ownership in its mineral governance agenda. The AMV suggests neither a linear or passive implementation process from the regional level to

the national and local levels. Rather, in establishing the African Mineral Development Centre (AMDC) in 2013 as the strategic continental agency responsible for developing the CMV Guidebook in 2014 and supporting countries in their overall implementation efforts,<sup>3</sup> the Vision acknowledges country ownership in shaping unique implementation processes suitable to their national and local needs. Country ownership of this collective vision therefore represents a key innovation of the AMV, though country-level implementation remains a challenge. After highlighting the prospects of the AMV for Africa’s mining sector, this policy brief discusses the aforementioned implementation challenges, and closes with policy recommendations.

## Prospects: The AMV as a “New Social Contract to Mine”

In advocating capacity building for host countries, the AMV highlights how information and knowledge asymmetry can weaken the bargaining power of mineral-rich African states, often leading to poor deals that negatively affect access to, and/or distribution of, revenues from mining. Indeed, poorly negotiated deals can further exacerbate economic, social, political and environmental tensions in local communities, especially when host countries are locked in lengthy contracts that are not beneficial to them in the long term. Thus, the AMV aims to ensure that African countries build solid knowledge-based infrastructures that can foster stronger industrial and trade policies for the continent and benefit local communities.

By focusing on the needs and interests of African peoples, these reforms are meant to address underlying issues of rent-seeking, benefit sharing and weak institutional capacity in the mineral sector. Since these underlying issues are leading contributors to conflicts born out of natural resource exploitation, the AMV therefore facilitates an identification of structural power imbalances in Africa's mining sector, and can help pre-empt and/or address conflicts that may arise throughout the minerals value chain. Hence, although the AMV is primarily a developmental approach, it can also be seen as a conflict management/prevention tool in mineral-rich African countries. In this sense, it is helpful to think of the AMV's provision as a framework for establishing a "new social contract to mine"<sup>4</sup>. Thus, in contrast to Washington Consensus-led mineral reforms that saw the liberalization of mining codes across Africa,<sup>5</sup> the AMV highlights the AU's leadership in framing an approach that asserts greater agency of host states vis-à-vis international financial institutes (IFIs) and foreign investors, and one that places local concerns at the centre of the development agenda. One such concern is the AMV's recognition that artisanal and small-scale mining (ASM) has an important developmental role in Africa, given its prominence in the continent.

By setting in motion the Country Mining Vision, the AMDC envisioned a process that will recognize the collective agency of African countries over their mineral resources, while allowing for a dynamic, contextual implementation process at the country-level. In doing so, it allows implementing countries to integrate the Vision into their own agendas and structures, thus systematically adapting the AMV into policies that fit the countries' needs. For

instance, Chad, one of the latest countries to start a CMV process, revised its Mining Policy and Code to ensure that it aligned both with the AMV principles and Chad's developmental goals.<sup>6</sup> Among other mechanisms, key areas of intervention through which the AMV supports the developmental needs of African countries are: the creation of an African Minerals Governance Framework (AMGF) initiative, the Geology and Mining Information Systems, the Blue Economy initiative, the AMDC's work against Illicit Financial Flows, capacity-building for contracts negotiations, and planned work to help enhance Green Growth initiatives.<sup>7</sup> Countries such as Ghana, Guinea, Kenya, Lesotho, Malawi and Sierra Leone have made good progress towards aligning their mineral regimes with the AMV principles, so as to yield a win-win outcome for both host states and investors.<sup>8</sup>

## Implementation challenges: AMV vs. CMV

U s a shared vision, the CMV Guidebook identifies the following key steps that a country should follow in order to become CMV-compliant:

1. Establishment of a coordinating body
2. Analysis
3. Implementation plan
4. Implementation
5. Stakeholder engagement throughout the above steps
6. Monitoring and evaluation<sup>9</sup>

A recent analysis of CMV implementation by AMDC experts shows that member countries (including Ghana, Lesotho, Malawi and Sierra Leone) have implemented "varied priorities in

the AMV” at the country level<sup>10</sup>. For instance, while countries such as Lesotho have undertaken a “systematic” approach to domesticating their CMV, others such as Tanzania and Mozambique have adopted a more “targeted” approach.<sup>11</sup> Furthermore, as of November 2017, only 27 African countries are developing a CMV process. This suggests that: (a) not all AU member states have begun the implementation process; and (b) those currently implementing the AMV may be implementing some priorities and not others, in the case of the targeted approach. In other words, there is a long road ahead in concretely improving both implementation rates and impact at the regional level, due to a lack of strong political will among countries. This slow progress could also be explained by the fact that both the coordination platform established in 2013 (the AMDC) and the resulting CMV guidebook developed in 2014 are very recent developments.

The AMV was created through a top-down approach, as the initial endorsement of the vision by AU leaders suggests. This has led to unintended consequences, such that grassroots civil society organizations, local communities and other groups outside the state are not always included in major discussions concerning the implementation of the CMV in various countries. Yet, without the participation of non-state actors and local communities in key policy mechanisms, the vision of embedding a multi-level governance approach within the AMV (local, national, regional) will remain mostly aspirational.

## Conclusion and policy recommendations

One of the AMV’s goals is to support African states in negotiating better terms for the exploitation of their mineral resources, especially by reducing information asymmetry between host states and foreign investors and enhancing the technical capacity of the former. Moreover, the fact that the AMV prioritizes country ownership of the implementation process through the CMV speaks to the prioritization of national and local needs as the Vision’s core developmental concern. Given the prospects and challenges assessed above, the following policy recommendations are worth considering:

- ❖ Provide more discussion platforms that will raise awareness on the need to operationalize CMVs, in order to increase implementation rates regionally. Indeed, there has been fierce competition for the implementation of various global initiatives in the last decade, many of which are pushed by powerful donors. This results in some initiatives receiving top priority over others, often based on donor-driven incentives. It must be stressed, however, that in order to advance the AMV’s goals, the latter should not become donor-driven, at the risk of foregoing African ownership of the process. Instead, ongoing discussions should highlight success stories and emphasize the political will required to achieve these success stories. In short, setting a clear agenda that prioritizes the quantitative and qualitative commitment of AU members to the CMV process could translate into a stronger implementation process, and support much needed structural change in Africa’s mining sector.

❖ Operationalize the multi-level, inclusive approach to mineral sector governance that is promoted by the AMV, at the regional and national levels, in a way that challenges the state-centric origins of the initiative. Doing so would ensure that the diversity needs and perspectives are taken into consideration in domesticating the AMV, especially from mining-affected and marginalized communities. Hence, non-elite actors in the mining sector should be an integral part of the entire CMV process, from the outset, when countries begin to design an Action Plan for implementing their CMVs. Furthermore, popular pressure from civil society groups, local communities and citizens, can be a powerful catalyst in pushing for the strong political will needed to begin and to effectively implement the AMV nationally.

Transforming the AMV from a shared vision to a powerful developmental tool requires a dynamic African leadership that is committed to a multi-

actor and multi-level implementation process. Only through such a participatory and inclusive process, will the AMV actualize into a policy framework through which Africa's mineral wealth can be garnered to benefit its people.

## About the Author

**W. R. Nadège Compaoré**, is a Social Sciences and Humanities Research Council of Canada (SSHRC) Postdoctoral Fellow in the Department of Social Science at York University. She holds a PhD in Political Studies from Queen's University, where she examined the varying attitudes of resource-rich African states towards the Extractive Industries Transparency Initiative. Dr. Compaoré's current project investigates the evolution of mining legislations in West Africa, and their implications for host and home state behaviour, as well as for corporations and local communities. She is co-editor of *New Approaches to the Governance of Natural Resources: Insights from Africa*, Palgrave (2015).

## End Notes

<sup>1</sup> The Africa Mining Vision. (n.d.-a). About AMV. Retrieved from <http://www.africaminingvision.org/about.html>

<sup>2</sup> The African Union Commission. (2009, February). Africa Mining Vision. Addis Ababa: AU. [For a full list of the initiatives that informed the formulation of the AMV, see Annex 1]

<sup>3</sup> Busia, K. and Akong, C. (2017). 'The Africa Mining Vision: Perspectives on Mineral Resource Development in Africa'. Afe Babalola University: Journal of Sustainable Development Law & Policy, 8(1), 145-192, p.95

<sup>4</sup> The African Union Commission (2009), p.39

<sup>5</sup> Campbell, B. (2003). 'Factoring in governance is not enough. Mining codes in Africa, policy reform and corporate responsibility'. Minerals & Energy -Raw Materials Report, 18 (3), 2-13

<sup>6</sup> United Nations Economic Commission for Africa (UNECA). (2017, August). Chad adopts a Mining Policy and Mining Code aligned to the Africa Mining Vision. Retrieved from <https://www.uneca.org/stories/chad-adopts-mining-policy-and-mining-code-aligned-africa-mining-vision>

<sup>7</sup> Mining Review Africa. (2017, April 13). The AMDC is achieving success in demonstrating how the Africa Mining vision is a win-win situation. Retrieved from <https://www.miningreview.com/features/amdc-achieving-success-demonstrating-africa-mining-vision-new-paradigm-linkages-based-mineral-sectors-management-represents-win-win-governments-well-industry/>

<sup>8</sup> Ibid.

<sup>9</sup> United Nations Economic Commission for Africa (UNECA). (2014, September). A Country Mining Vision Guidebook: Domesticating the Africa Mining Vision. Addis Ababa: UNECA Busia and Akong (2017), p.178

<sup>10</sup> Busia and Akong (2017), p.178

<sup>11</sup> Oxfam. (2017, March). From Aspiration to Reality: Unpacking the Africa Mining Vision. Oxfam Briefing Paper, p.19.