MINERALS AFRICA DEVELOPMENT INSTITUTION E-CONFERENCE:
Minerals Policy, Legal and Regulatory Frameworks in Africa:
Challenges, Gaps and Solutions

August 28th 2020 - 2-5 PM East African Time

CONCEPT NOTE

Following a successful E-Conference on Resuscitating Africa’s Mineral Sector Post Covid 19 pandemic, MADI is organizing a series of one day Webinars to discuss in detail critical issues that were raised during the E-conference as hindering Africa from maximizing benefits or optimizing value from her minerals resources. One of the key issues that were raised by participants is unfavourable policies and laws affecting minerals sector

1. BACKGROUND
The Africa Mining Vision (AMV) is a policy framework that was created by the African Union in 2009 to ensure that Africa utilizes its mineral resources strategically for broad-based, inclusive development

The Africa Mining Vision (AMV) was formally endorsed in 2009 by the African Union (AU) Heads of State and Government to promote equitable, broad-based development through the prudent utilization of the continent’s natural wealth. The AMV looks broadly and deeply at how development can be achieved through the creation of local value, driven by the strategic use of mineral resources in Africa. It charts a path for generating and realizing various types of linkages arising from the mineral sector through industrial development and technical upgrading. The AMV recognizes the contribution of artisanal and small-scale mining (ASM) to local economic development, and promotes women’s rights and gender justice. It establishes a progressive fiscal regime that can curb the hemorrhaging of the continent’s resources through tax evasion and avoidance and illicit financial flows from the mineral sector. It upholds the principle of free, prior and informed consent (FPIC) for mining-affected communities, and addresses the social and environmental impacts of mining. It is designed to be flexible and dynamic; implemented through derivative policy instruments – such as the Country Mining Vision, Geological and Mineral Information Systems Strategy (GMIS), the African Mineral Governance Framework (AMGF), and the AMV Compact with the Private Sector among others – while maintaining an integrated, strategic vision for national development.

However, eleven years after its adoption by AU Heads of State and Government, implementation has been slow and there is an extremely low level of awareness of the framework among key stakeholders in the mineral sector. Africa’s leaders, citizens and the private sector must act now to ensure that the goals of the AMV are realized. It is a transformative policy that can drive sustainable development on the continent.

2. CONTEXT
The starting point for any country to benefit from her natural resources is having coherent policies
and prudent and transparent legal and regulatory frameworks that can result into a well governed minerals sector. For Africa, these policies, legal and regulatory frameworks need to be harmonized at sub-regional and continental levels.

Since the financial crisis of 2008 many countries have struggled to maintain manageable budget deficits as their economies contract. With revenue down from reduced economic activity and increasing expenditure on items such as social welfare, governments around the world are either tightening their belts or finding new sources of revenue. In a number of producer nations, concerns over ‘Dutch disease’ or two-speed economies have led to plans to tax resource extraction more heavily, and provide tax relief or subsidies to other sectors.

This has led to what is now termed as “Resource Nationalism” in some countries. Resource nationalism has become a common feature of state policy in many developing countries in recent years.

“Resource nationalism has become a contagion impacting the mining & metals industry across the globe. The industry needs to become more engaged in the analysis and management of this risk which can place a heavy burden on existing operations and influence future decisions on where to invest.”

Andy Miller, Global Tax Leader — Mining & Metals, Ernst & Young

In 2014, Paul Collier while speaking at the Investing in Africa Mining Indaba warned Captains of Industries that African leaders were smelling development and therefore Mining companies will not maximise profits for their shareholders while acting as philanthropists to African governments. So Corporate Social Responsibility (CSR) cannot be enough and on this realization, recently OECD came up with Creating Shared Value (CSV) along the value chain.

Over and above if well managed Minerals resources can play a transformative role in social and economic structural transformation of African countries. However, the cardinal question is: "What policies, legal and regulatory frameworks should be put in place in Africa for Africa to maximize benefits from her vast mineral wealth?"

3. OBJECTIVES OF THE E-CONFERENCE
The objective of this one-day conference is to discuss key policy, legal and regulatory framework issues that have hindered Africa from realizing its potential from the minerals sector. To move away from policies, legal regimes and regulatory frameworks that seek to maximize revenue instead of optimizing value along the value chain. Explore how to expedite the domestication of Sub-Regional and continental policy frameworks such as AMV.

4. EXPECTED OUTCOMES
The conference will come up with key recommendations that will lead to Minerals contributing to broad based, inclusive growth and sustainable development including:

(a) Attracting responsible and ethical investments in the minerals sector that create decent jobs for the growing youth reduce poverty and ultimately lead to and inclusive and sustainable development of the continent;
(b) Harmonisation of policies, legal regimes and regulatory frameworks as well as domestication of sub-regional policy frameworks or laws where they exist and ensuring that they are aligned to AMV;
(c) Domestication of AMV through ANV instruments and tools such as the Country Mining Vision, GMIS, AMGF, AMV Compact and AMREC
(d) Creating Shared Value for all Stakeholders along the Minerals value chain;
(e) regulation of the entire Minerals value chain within Africa;
(f) Minerals certification mechanisms;
(g) formalisation and financing mechanisms for ASMs;
(h) value addition and beneficiation; and
(i) environmental and safety management.

5. PARTICIPANTS
All stakeholders of the Minerals resource sector including:

(a) Policy makers and practitioners;
(b) Academicians;
(c) Private sector; and
(d) Civil Society.

6. SPEAKERS
(a) Dr. Jennifer Hinton, Jervois Mining Company, Uganda
(b) Ms. Isabelle Ramdoo, Senior Associate, IGF and IISD
(c) Mr. Vincent Kedi, Assistant Commissioner, Directorate of Geological Surveys, Uganda
(d) Mr. Kwesi Obeng, Tax and Policy Expert
(e) Mr. Gilbert Jemwa, Board Member, MADI
(f) Ms. Nancy Awori, CEO MADI
(g) Ms. Rose Mosi, Policy, Legal and Regulatory Expert, MADI
(h) Mr. Raymond Kudzawu-D’Pherdd, Industry, Value Addition and Beneficiation Expert, MADI

7. MODERATOR
Dr. Frank Mugyenyi, Chairman of MADI Board

For more information and to register, please visit our website at: www.ma-di.org or contact Ms Irene Ngabirano on: irenengabirano@ma-di.org