



United Nations
Economic Commission for Africa

CONCEPT NOTE

High-level Ministerial Meeting on Mineral Resources Development

Building Synergies between the Africa Mining Vision and the ACP Framework of Action for the Development of Mineral Resources sector

Date: 12 to 14 February 2018
Venue: ACP House, Brussels, Belgium

1. Introduction

Natural resources exploitation has the potential to shape and transform economies. Mining brings employment, government revenues, and opportunities for economic growth and diversification. Yet, these resources have not translated into significant development in Africa. Instead, pervasive poverty in Africa leads to increasing numbers at an alarming rate of young Africans leaving the continent in search of better jobs and improved livelihood opportunities in Europe and other continents. This indicates a lack of appropriate mechanisms to support sustainable job creation and reduce the flow of refugees resulting from lack of economic opportunities, extreme poverty and conflict. The failure to provide job opportunities has also resulted in the expansion of a pool of impoverished and vulnerable people that could potentially be recruited for illicit activities and international organized crime including terrorism.

This is compounded by the significant footprint of mining on climate change, as well as negative externalities that include erosion, formation of sinkholes, loss of biodiversity, and contamination of soil, groundwater and surface water by chemicals from mining processes. Besides, the contamination resulting from leakage of chemicals also affects the health of the local population. However, if properly managed, mining could provide opportunities along the value chain including in green and climate resilient jobs, as well as opportunities resulting from spatial development and improved intersectoral linkages with other key economic sectors such as agriculture, towards the development of sustainable mining cities.

The benefits of the recent commodities boom in terms of exports, natural resource rents and some knock-on benefits throughout resource-rich economies have been well noted, as have been the perils of the commodity price shocks and the fall in minerals demand, with negative consequences on production, investment and employment in resource-rich countries.

On the African continent, the Africa Mining Vision (AMV) was adopted in 2009 as a forward-looking continental framework that should guide African Member States in designing and implementing mineral strategies that will help the sector end its cyclical tendencies and integrate into the broader economy and support the continent's industrialisation and diversification. This was later reinforced with the Africa Union (AU) continental agenda 2063. The AMV proposes an integrated framework, which cuts across various interconnected dimensions, all



essential for the structural transformation of the continent for human development. These include, inter alia the development of intersectoral linkages, value-chains in all minerals, policy support and strong governance architectures, institutional and human capital development, geological knowledge, and a holistic approach to support and scale up artisanal and small scale mining, amongst others.

ACP Ministers adopted a Framework of Action for the Development of Mineral Resources Sector for ACP countries in 2011. The overall objectives of the Framework, which concur with the AMV, are to foster the development of the mineral resources industry in support to the sustainable development of ACP countries and to contribute to poverty reduction and social development in the mining sector.

Considering that ACP members also span across the 3 major oceans, the ACP as a group, has the largest territory on earth and the sea, and therefore can leverage on a large amount of the world's resources.

The ACP framework and the AMV are complementary efforts to strengthen the management capacity of ACP countries in the mineral sector, to integrate sustainable development measures into the mining sector and to enhance the ability of states to derive maximum economic and social benefits from the sector, while mitigating the negative impacts of the mining industry.

The AMV is a framework which matches with the ACP Secretariat's Strategic Plan (2014-2020) and the Sustainable Development Goals (SDGs), is key to concretize the African Union Agenda 2063, is already an inspiration for the governments of the Caribbean and the Pacific, and responds to the recommendation of the African Union Commission's (AUC) First Ordinary Session of the Specialized Technical Committee on Trade, Industry and Minerals (STC-TIM), held in May 2016.

Given the significant convergence in the AMV and ACP framework and the synergies that can be derived and shared amongst the ACP and the AMDC as institutional partners, it would be desirable to join efforts in developing concrete feasible and transformative initiatives appealing to the private sector, to achieve their respective objectives and realize their mandates.

AMDC achievements include the AU governments' ownership of the AMV through the alignment of their mineral policies and legal and regulatory frameworks to the AMV principles at the national level. Today, twenty-seven (27) countries are engaged at various levels in the implementation of the AMV, with the support of the AMDC.

2. Follow-up on December 2016 Brussels Meeting

AMDC and the ACP Secretariat organized an expert meeting in Brussels in December 2016 on linkages and artisanal small-scale mining, with a view to discuss the various prospects to cooperate on strategic issues. Discussions focused in particular on scaling up linkages and value addition for ASM in ACP countries and creating more sustainable activities and enhance economic and employment opportunities. The meeting discussed the following:

- (i) Innovative approaches of the AMV to address the various challenges faced by ASM operations including legal frameworks regarding the formalization of the sector;



- (ii) Practical ways to scale up skills sets, including those that can be transferred beyond the mining sector;
- (iii) Incentives and economic opportunities to add more value to ASM proceeds, with a particular focus on gender and youth.

Based on the discussions, it was agreed that the AMDC would table concrete project proposals to the ACP, to support their respective member countries' efforts in leveraging their mineral resources for sustainable economic transformation, in line with their agreed frameworks and the SDGs. Proposals are detailed in the annex to this concept note.

3. Overall Objective of the Meeting

As agreed at the 2016 Brussels meeting, the AMDC proposes to strengthen the strategic partnership with the ACP Secretariat in specific areas, to the best benefit of their respective member countries. In that regard, it is proposed to organize a senior officials meeting, followed by a Ministerial meeting, to discuss concrete areas of cooperation, aimed at:

- (i) Providing targeted and tailor-made policy support to ACP countries;
- (ii) Identifying concrete private sector initiatives for sustainable job creation in the framework of the AMV and the ACP Framework of action, as well as for fostering intersectoral linkages;
- (iii) Ensure the mutualisation of private sector's efforts in the implementation of these initiatives;
- (iv) Providing technical assistance and institutional capacity building to ensure the implementation of the designated activities.

In particular, the meeting will identify how AMDC's interventions together with currently existing strategic partnerships can best provide operational support for ACP Members States, their GSOs, centres of excellence, governance institutions and partners to improve local capacities to bolster investment across the whole Mineral Value Chain, facilitate price discovery for governments, support decision-making in contract negotiation and mining development and facilitate broad development processes that include tangible rural development through financial empowerment options linked to artisanal and small scale mining.

The meeting will set the direction, create alignment, build commitment, promote collaboration, establish trust and mobilize support to endorse the funding of the proposals package.

The proposals cover a two-year period, which will be implemented collaboratively by strengthening the peer-learning mechanisms of the ACP in the current context of the AMDC as hosted by UNECA and as a specialised arm of the AUC to implement the AMV.

4. Specific objectives of the Meeting

The Senior Officials meeting will review, revise and agree on the proposals' Objectives to:



- (i) Enhance selected Member states capacity to formulate policy and technical strategies that promote mineral supply value addition, productivity and overall competitiveness;
- (ii) Improve legal and regulatory frameworks in African ACP countries to promote financial inclusion mechanisms and services to the ASM sector;
- (iii) Enhance Capacities of countries to formulate policies and strategies to support the acquisition of technology and promote innovation in support of the creation of sustainable jobs to meet the evolving and transferable skill needs of the mining sector and beyond;
- (iv) Strengthen cooperation amongst African States on the potential of the blue economy more particularly on the deep sea-bed activities in contributing towards sustainable development of African ACP countries.

The outcomes of the meeting will feed into ACP, ACP-EU and AMDC's respective work streams on mineral development, in line with the ACP Framework on Mineral Resource Development, the Africa Mining Vision, the ACP-EU Development Minerals Programme and the SDGs. An initiative led by the private sector will also form part of the outcomes.

5. Format of the Meeting

It is proposed to organise a three-days meeting, as follows:

- (1) A two-days meeting at the senior official level, followed by;
- (2) A one-day meeting at the Ministerial level, to examine with the private sector, a concrete and transformative initiative for sustainable job creation; The Ministerial meeting will endorse the recommendations of the Senior Officials meeting and the outcome of the debates with the private sector.
- (3) The overall meeting will be held under the auspices of the AUC.



6. Proposed Agenda

The two-days Senior Officials meeting will be organised in the following format:

Day 1: 9:00 – 17:00

9:00 – 12:30: Session 1

Opening remarks: AMDC, UNECA, ACP Secretariat and AUC

Theme 1: Scaling-up mineral-related linkages for industrial development in ACP resource-rich countries through supply chain development

Presentation by the AMDC and implementing partners

This session will discuss two key issues:

- a) *Specific institutional and policy support to enhance linkages from the mineral sector to foster industrial development in ACP mineral-rich countries, notably by addressing the structural and institutional weaknesses impacting on firms' productivity and countries' overall competitiveness. In particular, will discuss intervention measures to provide better policy and regulatory frameworks conducive to local business development; Improved capacity of businesses to take up business opportunities unlocked through linkages; Improved structured dialogues among various stakeholders for peer learning and experience sharing;*
- b) *Support to ACP private sector, with a particular focus on SMEs by enhancing the capacity, competitiveness and capabilities of suppliers to strengthen their participation in mining supply chains.*

Panel discussion: 1 kick-off remarks followed by 2 discussants

Open discussion

12:30 – 14:00 Lunch break

14h00 – 17h00: Session 2

Theme 2: Leveraging financial inclusion in support of Artisanal and Small Scale Miners (ASM)

Presentation by the AMDC

This session will discuss ways to harness the potential conferred by Financial Inclusion efforts through mobile and digital financial services support towards ASM to improve rural livelihoods, stimulate entrepreneurship in a socially-responsible manner, promote local and integrated national development as well as regional cooperation by addressing the structural and institutional support pillar of financing towards formalisation of ASM.



Panel discussion: 1 kick-off remarks followed by 2 discussants

Open discussion

Day 2: 9:00 – 17:00

9:00 – 12:30: Session 3

Theme 3: Building capabilities to meet the evolving skill needs of the mining sector and beyond, through the creation of innovative systems to drive industrialization and optimize natural resource management

Presentation by the AMDC and implementing partners

This session will focus on meeting the human development goal of the AMV and ACP framework by building capabilities to meet the evolving and transferable skill needs of the mining sector and beyond, notably through the promotion of innovative systems to drive structural transformation and optimize natural resources management.

Panel discussion: 1 kick-off remarks followed by 2 discussants

Open discussion

12:30 – 14:00 Lunch break

14h00 – 17h00: Session 4

Theme 4: Improving geospatial and geological information for ACP member states to benefit from the Blue Economy in the framework of the African Mining Vision

Presentation by the AMDC and implementing partners

This session will present an integrated approach to leverage on the potential of Blue Economy in the ACP region, including deep-sea mining and bio-prospecting, building on the Africa strategy.

Panel discussion: 1 kick-off remarks followed by 2 discussants

Open discussion

Closing remarks: AUC, ACP Secretariat and AMDC

Day 3: Ministerial meeting

Morning Session: 9:00 – 12:30

Opening remarks: AMDC, UNECA, ACP Secretariat and AUC



Opening statement by Chairperson

Moderator:

9:00 – 10:30 Session 1

Ministerial Roundtable

Discussion between selected Ministers on policy options for enhancing the transformative role of the mining sector

10:30 – 12:30: Session 2

High Level Roundtable

Discussion between selected Ministers and High level private sector representatives on a selected initiative and related policy measures for sustainable and decent job creation and intersectoral linkages

12:30 – 14:00 Lunch

Afternoon session: 14:00 – 17:00

14:00 – 15:15: Session 3

Presentation of the outcomes of the senior officials report on theme 1 and 2 by AMDC and ACP Secretariat

Consideration of Senior official Report by Ministers

15:30 – 16:45: Session 4

Presentation of the outcomes of the senior officials report on theme 3 and 4 by AMDC and ACP Secretariat

Consideration of Senior official Report by Ministers

16:45 – 17h00 : Closing remarks by AMDC, UNECA, ACP and AUC

AMDC and ACP will prepare a joint report.

7. Proposed venue and dates

ACP House, Avenue Georges Henri 451

B - 1200 Brussels, Belgium

Senior Officials Meeting: two days, 12 and 13 February 2018



United Nations
Economic Commission for Africa

Ministerial meeting: 14 February 2018

8. Participants

- AUC, AMDC, UNECA and ACP Secretariat, as the co-convenors
- European Commission;
- Members of the Committee of Ambassadors
- ACP Senior Officials
- ACP Ministers
- Representatives of regional organisations
- Representatives of the private sector



ANNEX

Brief Description of the programme proposal

Programme Title:	<i>Strengthening the capacities of African ACP member countries; the private sector and other regional and national stakeholders to seize the opportunities offered by the mineral sector and the blue economy</i>
Contributes to:	Agenda 2063 (Aspiration 1 & 6) Agenda 2030 - The Sustainable Development Goals (SDGs #1, 4, 8, 11, 13, 17) The African Mining Vision (AMV) The ACP Framework of Action for the Development of Mineral Resources Sector. ACP Secretariat Strategic Plan (2014-2020) AMDC Business Plan 2013-2017 ECA Strategic Plan 2018-2019
Implementing Partners:	AMV implementing partners as well as other relevant institutions
Duration:	2018 - 2020

Brief Description

Building inter-sectoral linkages is a central condition for unleashing the potential of Africa's enormous mineral, oil and gas resources to become one of the main drivers for inclusive development on the continent. Yet, these resources have not translated into significant and transformative development due to, amongst other reasons, the weak capacity of many African countries i) to add value to raw materials and create a strong industrial base with capable local entrepreneurs around the extractive sector as well as related services, ii) to facilitate access to low cost finance, including to artisanal and small scale miners (ASM) at the heart of rural development, iii) to promote technology acquisition and innovation to stimulate sustainable job creation and respond to the evolving skills needs to meet the sector demand, iv) and to develop effective geological and mineral information systems (GMIS) and foster the potential of blue economy. Furthermore, thanks to its large procurement needs, the extractive sector can stimulate agro-business activities along agricultural value chains.

This programme is designed to build synergies between the Africa Mining Vision (AMV) and the ACP framework of Action for Mineral Resources development, and support African ACP member states to seize the opportunities offered by the mineral sector across the value chain for sustainable development. As a result, ACP members States and other stakeholders' capacity to formulate and implement policies, strategies and regulatory frameworks for the sustainable management of mineral resources in line with the AMV will be enhanced. This will particularly be the case for local entrepreneurs' development, financial inclusion of ASM, building knowledge, human capital, capabilities and skills to meet the sector demand through innovative systems to drive industrialization, and to develop a GMIS to boost inward investments, transparency and governance, and an integrated approach to leverage on the potential of the ACP Blue economy including deep-sea mining.

The African Minerals Development Center (AMDC) was created as an institutional set up for the implementation of the AMV as a strategic framework for natural resource development. The AMDC will build on its experiences since inception in 2014, to further address the different challenges mentioned above and achieve the AMV priorities to promote industrialization, regional integration and sustainable development.

Key implementing partners to achieve the goals of this programme include the following organisations: AMV implementing partners (AUC, AMDC, ECA, AfDB, UNDP), the United Conference on Trade and Development (UNCTAD) through its Regional Bureau for Africa, and the Africa Office of the World Intellectual Property (WIPO). Partners also include Key research institutions such as MINTEK.

This programme includes short-term and long-term sustainability strategies to ensure the continuation and institutionalization of its goals through proper planning, capacity building of key stakeholders and partners. The programme provides the opportunity to strengthen the cooperation and experience sharing amongst ACP States, one of ACP Group's key pillars.