



**African Union
Commission**



**African Development
Bank**



**United Nations
Economic Commission
for Africa**

Building a sustainable future for Africa's extractive industry: From vision to action

ACTION PLAN FOR IMPLEMENTING THE AMV

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Table of Contents

Summary.....	4
Abbreviations and acronyms	5
Introduction and background to the AMV	7
The Africa Mining Vision	8
Key tenets of the Vision and programme clusters.....	9
Programme cluster 1 – Mining Revenues and Mineral rents management.....	11
Context	11
Programme cluster goal.....	11
Action Plan.....	12
Programme cluster 2 – Geological and mining information systems	15
Context	15
Programme cluster goal.....	15
Action Plan.....	16
Programme cluster 3 – Building human and institutional capacities	18
Context	18
Programme cluster goal.....	18
Action Plan.....	19
Programme cluster 4 – Artisanal and small scale mining	21
Context	21
Programme cluster goal.....	21
Action Plan.....	22
Programme cluster 5 – Mineral sector governance	24
Context	24
Programme cluster goal.....	24
Action Plan.....	25
Programme cluster 6 – Research and development.....	28
Context	28
Programme cluster goal.....	28
Action Plan.....	29
Programme cluster 7 – Environment and social issues	31

Context	31
Programme cluster goal.....	31
Action Plan.....	32
Programme cluster 8 – Linkages and diversification	34
Context	34
Programme cluster goal.....	34
Action Plan.....	35
Programme cluster 9 – Mobilizing mining and infrastructure investment.....	37
Context	37
Programme cluster goal.....	37
Action Plan.....	38
Resourcing the Action Plan and the AMV.....	40
Member States and their institutions.....	40
Multilateral Development Partners.....	42
The private sector	43
Bilateral Development partners	43
The United Nations System	43
NGOs and CSOs.....	44
Levels of resources required.....	44
Monitoring the effectiveness of interventions.....	44
Institutional arrangements for implementing the plan	44

Summary

The African Mining Vision (AMV) was adopted by the First AU Conference of African Ministers responsible for mineral resources development, held in Addis Ababa in October 2008. Its ultimate goal is to use Africa's mineral resources to meet the Millennium Development Goals (MDGs), eradicate poverty, and achieve rapid and broad-based socio-economic development. The AU Heads of State and government, at their assembly in Addis in February 2009, welcomed the AMV and requested the "AU Ministers in charge of Mineral Resources Development to develop a concrete action plan for its realisation". This action plan therefore responds to this directive.

The action plan comprises nine programme clusters of activities constructed around the key pillars of the vision. These are: mineral rents and management; geological and mining formation systems; building human and institutional capacities; artisanal and small scale mining; mineral sector governance; research and development; environmental and social issues; and linkages and diversification.

The Action plan was considered and adopted by the Second AU Conference of Ministers responsible for mineral resources development held in Addis Ababa, in December 2011. That Conference proposed a number of corrections and additions which have been taken into account in finalising the Action Plan. A key proposal made by the Conference is the need to include a cluster on policy, regulations, regional cooperation and harmonization as part of the implementation strategy of the Plan. Currently, these are cross cutting themes throughout the clusters

The main sources of information for the Plan have been the AMV, the framework report of the International Study Group (ISG) as well as other reports and similar frameworks. The Action Plan also contains a resource mobilisation plan as well as an institutional framework for implementing the proposed activities.

Abbreviations and acronyms

ACHPR	African Charter for Human and People's Rights
ACP	African Caribbean Pacific
ACPC	Africa Climate Policy Centre
AfDB	African Development Bank
ALSF	Africa Legal Support Facility
AMV	Africa Mining Vision
AP	Action Plan
ATPC	Africa Trade Policy Centre
APRM	African Peer Review Mechanism
ASM	Artisanal and small-scale mining
AU	African Union
AUC	African Union Commission
CASM	Communities and Small-scale Mining
CBO	Community-Based Organization
CSOs	Civil Society Organisations
CSR	Corporate Social Responsibility
DFI	Development Finance Institution
ECA	Economic Commission for Africa
ECOWAS	Economic Community of West African States
EI-TAF	Extractive Industries Technical Advisory Facility
EITI	Extractive Industries Transparency Initiative
EIA	Environmental Impact Assessment
EU	European Union
EXIM	Export-Import
FDI	Foreign Direct Investment
GSD	Geological Survey Department
HIA	Health Impact Assessment
HRD	Human Resources Development

ICP	International Cooperating Partners
IDEF	Institute for Development and Economic Planning
IFC	International Finance Corporation
ISG	International Study Group (on Africa's mineral regimes)
LSM	Large-scale Miners
LT	Long Term
MDGs	Millennium Development Goals
MT	Medium Term
NCPA	NEPAD Planning and Coordination Agency
NEPAD	New Partnership for Africa's Development
NGO	Non-Governmental Organisation
NMP	National Mineral Policy
OAGS	Organisation of African Geological surveys
PVTS	Private Sector
R4I	Resources for Infrastructure
RECs	Regional Economic Communities
R&D	Research and Development
SDI	Spatial Development Initiatives
SESA	Strategic Environmental and Social Assessments
SIA	Social Impact Assessments
ST	Short Term
STI	Science, Technology and Innovation
SWF	Sovereign Wealth Fund
UNCTAD	United Nations Conference on Trade and Development
UNEP	United Nations Environment Programme
UNIDO	United Nations Industrial Development Organization
WB	World Bank

Introduction and background to the AMV

The African Mining Vision (AMV) was adopted by the First AU Conference of African Ministers responsible for mineral resources development, held in Addis Ababa in October 2008. At this Conference, the ministers also adopted the Addis Ababa Declaration on the Development and Management of Africa's Mineral Resources, re-affirming their "commitment to prudent, transparent and efficient development and management of Africa's mineral resources to meet the MDGs, eradicate poverty and achieve rapid and broad-based sustainable socio-economic development".

The AU Heads of State and government, at Assembly held in Addis in February 2009, welcomed the AMV and requested the "AU Ministers in charge of Mineral Resources Development to develop a concrete action plan for its realisation", acting through the African Union Commission (AUC), and in partnership with the United Nations Economic Commission for Africa (UNECA), the African Development Bank (AfDB), regional economic communities (RECs) and other stakeholders. They further called on the international community and Africa's development partners to support the efforts of member states "towards enhancing the contributions of mineral resources to the achievement of the MDGs, the eradication poverty and the promotion of sustainable economic growth and development".

The AU Heads of State and government further requested "member States to improve their mineral resources policies, establish appropriate institutional, legal and regulatory frameworks, and invest in human skills, research and development, and geological and geophysical data, that are critical for the efficient and effective management of mineral resources". They also called upon "the Commission and NEPAD Secretariat, as well as regional economic communities to accelerate the establishment, across Africa, of major integrated corridors for the development and optimal exploitation of the continent's natural resources".

These directives from the AU Heads of State and Government have been taken into account in developing the action plan. The AMV has, attached to it, a "Tentative Framework for Action" setting out actions, related to particular goals with proposed time frames and responsibilities of national bodies, regional economic communities and continental bodies. Since the adoption of the AMV, the International Study Group to review Africa's mineral regimes (ISG), established pursuant to the recommendation of the Big Table meeting held in February 2007 in Addis Ababa, has completed its framework report. The African Caribbean Pacific (ACP) Secretariat has also formulated a Draft Framework of Action for the Development of the Mineral Resources Sector in ACP Countries, which was released in June 2011. The ACP Framework takes into account the principles of the AMV.

The ISG report, the AMV document itself, the Draft ACP Framework, as well as several other sources have been used to compile the Action Plan. A major additional source of information was the Second AU Conference of African Ministers responsible for mineral resources

development, held in Addis Ababa in December 2011, under the theme “Building a sustainable future for Africa’s extractive industry – from vision to action”. The Conference was attended by diverse stakeholders including policy makers, the private sector, CSOs, ASM operators, academic institutions and international development organisations. These organisations shared their experiences and enriched the Action Plan.

The Action plan does not have a cluster on policy, regulations, regional cooperation and harmonization as these are cross cutting themes throughout the clusters. However, given the importance of policy and regulations, and their harmonisation, the Ministers directed that consideration be given to creating such a cluster. Thus at the implementing stage, actions relating to policy, regulations, regional cooperation and harmonization will be accommodated under a policy and regulations cluster.

The Action Plan is organised as follows. A summary of the AMV document setting out the key areas of the Vision, follows this introduction. The pillars of the AMV are then used to formulate the programme clusters, each with a long term goal, desirable outcomes, programme, activities, the main actors and preliminary indicators for tracking the outcomes. The Action Plan also provides indications of how it could be resourced as well as the institutional arrangements which would facilitate its implementation.

The Africa Mining Vision

The primary and long term goal of the AMV is the creation of circumstances that support a “transparent, equitable and optimal exploitation of [Africa’s] mineral resources to underpin broad-based sustainable growth and socio-economic development”. The main features of the mineral sector which should contribute to achieving this goal are outlined in a number of broad areas as follows:

- A knowledge-driven African mining sector that catalyses and contributes to the broad-based growth & development of, and is fully integrated into, a single African market through:
 - Down-stream linkages into mineral beneficiation and manufacturing;
 - Up-stream linkages into mining capital goods, consumables and services industries;
 - Side-stream linkages into infrastructure (power, logistics; communications, water) and skills and technology development (HRD and R&D);
 - Mutually beneficial partnerships between the state, the private sector, civil society, local communities and other stakeholders; and
 - A comprehensive knowledge of its mineral endowment.
- A sustainable and well-governed mining sector that effectively garners and deploys resource rents and that is safe, healthy, gender and ethnically inclusive, environmentally friendly, socially responsible and appreciated by surrounding communities;

- A mining sector that has become a key component of a diversified, vibrant and globally competitive industrialising African economy;
- A mining sector that has helped establish a competitive African infrastructure platform, through the maximisation of its propulsive local and regional economic linkages;
- A mining sector that optimises and husbands Africa's finite mineral resource endowments and that is diversified, incorporating both high value metals and lower value industrial minerals at both commercial and small-scale levels;
- A mining sector that harnesses the potential of artisanal and small-scale mining to stimulate local/national entrepreneurship, improve livelihoods and advance integrated rural social and economic development; and
- A mining sector that is a major player in vibrant and competitive national, continental and international capital and commodity markets.

Thus, the AMV seeks to use Africa's natural resources sector to transform the continent's social and economic development path in order to address its poverty and limited development. It seeks to set Africa on an industrialisation path, based on its natural capital, to enable the continent take its place in the global economy.

Key tenets of the Vision and programme clusters

The AMV is founded on the following fundamental pillars:

- Optimizing knowledge and benefits of finite mineral resources at all levels of mining and for all minerals;
- Harnessing the potential of small scale mining to improve livelihoods and integration into the rural and national economy;
- Fostering sustainable development principles based on environmentally and socially responsible mining, which is safe and includes communities and all other stakeholders;
- Building human and institutional capacities towards a knowledge economy that supports innovation, research and development;
- Developing a diversified and globally competitive African mineral industry which contributes to broad economic and social growth through the creation of economic linkages;
- Fostering a transparent and accountable mineral sector in which resource rents are optimized and utilized to promote broad economic and social development; and
- Promoting good governance of the mineral sector in which communities and citizens participate in mineral assets and in which there is equity in the distribution of benefits

The above pillars have been used to develop the Action plan. Activities have been grouped into programme clusters based on the exigencies of the AMV as expressed by the above pillars. The programme clusters are as follows:

Programme cluster 1 – mining revenues and mineral rents management

Programme cluster 2 – geological and mining information systems

Programme cluster 3 – building human and institutional capacities

Programme cluster 4 – artisanal and small scale mining

Programme cluster 5 – mineral sector governance

Programme cluster 6 – research and development

Programme cluster 7 – environmental and social issues

Programme cluster 8 – linkages and diversification

Programme cluster 9 – mobilising mining and infrastructure investment

For each programme cluster, the main goal, outcomes, activities and preliminary indicators for tracking the achievement of objectives and outcomes have all been defined. The time frames for implementation are indicated as short term (0-5 years), medium term (5-10 years) and long term (>10 years)

Programme cluster 1 – Mining Revenues and Mineral rents management

Context

A key challenge in the design of fiscal frameworks for the mining sector is the often conflicting objectives of mining companies and governments. Mining companies argue for appropriate compensation for the high risks associated with mining projects. They expect a fair return which allows early payback and maximises the net present value of their investment. In contrast, Governments wish to maximise the value of mining investment to fund social and economic infrastructure, as well as other national development priorities.

There is a widespread sense that Africa does not obtain commensurate compensation from the exploitation of its mineral resources. This sentiment has become particularly pronounced since the current mineral commodity boom, which has substantially lifted profits for mining companies. Partly this is due to the fact that the fiscal provisions for collecting mineral rent¹ are not optimised. The provisions are characterised by overly generous tax holidays and poorly designed royalties and additional profit taxes. Most mining projects in Africa have sought and obtained assurances that there would be no additions to the total tax package agreed to initially. Thus during the recent period of high prices (which started around 2003), current fiscal regimes have not earned African mining countries a fair share of the large additional profits.

Transfer pricing constitutes a problem for African mineral exporting countries due to its complexities. For example, transfer pricing of inputs is often not transparent and thus is hard to detect. In addition, equipment prices are not obvious and tax evasion may take place through the use of non-arms-length suppliers based in tax havens. The signing of double taxation treaties with host countries of mining companies may help check this, though probably not eliminate the practice altogether.

While revenue from mineral operations offers governments development finance, a persistent concern, however, is the inflow of revenue which tends to undermine the competitiveness of other economic sectors exposed to international competition— the so-called “the Dutch disease”. Thus financial inflows from mining need to be channelled into long-term physical and social capital and include systems that allocate part of the mineral revenue to communities near mining areas as well as local authorities.

An important element of a mineral regime that can contribute to optimizing the developmental impact of mining is setting a fair market value of resources—“price discovery”. Transparent and competitive concessioning of known mineral assets can help. Public tender will clearly have sub-optimal results for terrain with no known assets or areas of low prospectivity. Thus, this strategy requires that the state has full knowledge of its geological assets.

Programme cluster goal – *To create a sustainable and well-governed mining sector that effectively garners and deploys resource rents*

¹ Mineral rent is the difference between the price and the extraction costs, including normal returns.

Action Plan

EXPECTED ACCOMPLISHMENT	ACTIVITIES	TIME FRAME	MONITORING INDICATORS	RESPONSIBLE BODIES AND MAIN ACTORS
Enhanced share of mineral revenue accruing to African mining countries	<p>At national level</p> <ul style="list-style-type: none"> <input type="checkbox"/> Improve national capacity to physically audit mineral production and exports <input type="checkbox"/> Review mineral regimes in terms of optimising revenues <input type="checkbox"/> Build capacity and enhance skills of officials in negotiating fiscal issues and effectively monitoring compliance with taxation laws <input type="checkbox"/> Negotiate or renegotiate contracts to optimize revenues and to ensure fiscal space and responsiveness to windfalls <input type="checkbox"/> Develop systems to evaluate components of tax regimes for leakages, losses and tax avoidance & evasion (e.g. transfer pricing) <input type="checkbox"/> Review terms of double taxation agreements and BITs with host countries of mining companies including the principle that minerals should be taxed at the point of extraction <input type="checkbox"/> Build capacity & systems to auction mineral rights where applicable <p>At sub regional and regional levels</p> <ul style="list-style-type: none"> <input type="checkbox"/> Review the current fiscal environment in African mining countries to develop guidelines & 	<p>ST</p> <p>ST</p> <p>ST-MT-LT</p> <p>ST-MT</p> <p>ST-MT</p> <p>ST-MT</p> <p>ST</p> <p>ST</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Physical audit system in place and implemented with trained inspectors <input type="checkbox"/> Reviews of mineral regimes undertaken <input type="checkbox"/> Level of improvement in fiscal revenue collected by African mining countries <input type="checkbox"/> Increase in numbers of policy makers and other stakeholders participating in capacity building initiatives <input type="checkbox"/> Degree of improvement in the design of fiscal terms <input type="checkbox"/> Extent to which tax leakages are reduced by evaluation systems as determined by independent audits of tax compliance <input type="checkbox"/> Number of double taxation agreements signed and implemented by member States <input type="checkbox"/> Extent to which competitive and transparent mineral concession systems are implemented <p><input type="checkbox"/> Guidelines, standards and toolkits completed and</p>	<p>MS</p> <p>WB</p> <p>NGOs</p> <p>CSOs</p> <p>Bilateral²</p> <p>AfDB</p> <p>ECA</p>

² These are mainly Government to Government technical assistance programmes

EXPECTED ACCOMPLISHMENT	ACTIVITIES	TIME FRAME	MONITORING INDICATORS	RESPONSIBLE BODIES AND MAIN ACTORS
Improved management and use of mineral revenue	<p>standards for optimizing revenue (eg.tax & dividends) packages in a manner that does not discourage mining investment</p> <ul style="list-style-type: none"> <input type="checkbox"/> Develop mineral taxation guidelines for implementation at the REC & national levels <input type="checkbox"/> Develop typical financial models for mineral projects for member states and run training workshops at REC level <p>At national level</p> <ul style="list-style-type: none"> <input type="checkbox"/> Explore strategies for investing windfall earnings and mineral rent into sovereign wealth funds including stabilization funds and infrastructure funds <input type="checkbox"/> Develop rent distribution systems for allocating part of mineral revenue to communities near mining areas and local authorities. <input type="checkbox"/> Develop mechanisms to facilitate local communities' access to jobs, education, transport infrastructure, health services, water and sanitation. <input type="checkbox"/> Develop the capacity of local communities to negotiate partnership agreements. <input type="checkbox"/> Develop systems for strengthening capacities for national and sub-national bodies for revenue management 	<p>ST</p> <p>ST</p> <p>ST</p> <p>ST</p> <p>ST-MT</p> <p>MT</p> <p>MT</p>	<p>distributed to RECs & member states.</p> <ul style="list-style-type: none"> <input type="checkbox"/> Degree to which guidelines are used by member States <input type="checkbox"/> Guidelines, standards and toolkits completed and distributed to RECs and member states <input type="checkbox"/> Degree to which guidelines are used by member States <input type="checkbox"/> Number of financing models that are developed and used by member States <ul style="list-style-type: none"> <input type="checkbox"/> Number of SWFs established by African mining countries <input type="checkbox"/> Degree to which local authorities and communities benefit from mining projects <input type="checkbox"/> Degree to which local authorities and communities improve their management of mineral revenues <input type="checkbox"/> Best practice guidelines compiled <input type="checkbox"/> Extent to which guidelines are used by RECs and member States 	

EXPECTED ACCOMPLISHMENT	ACTIVITIES	TIME FRAME	MONITORING INDICATORS	RESPONSIBLE BODIES AND MAIN ACTORS
	<p>At sub regional and regional levels</p> <ul style="list-style-type: none"> <input type="checkbox"/> Compile best practise guidelines on mineral revenue management and deployment for implementation at the REC & national levels 			

Programme cluster 2 – Geological and mineral information systems

Context

The availability of geological and mineral data allows both the public and private sector to make informed decisions on mineral sector development. The more accessible and the information is, the lower the risk on investment in exploration and mine development. Basic geological information is usually collected and stored by Government Geological Survey Departments, while much of the mineral exploration activities are undertaken by the private sector. Geological data collected on a regular basis throughout Africa can significantly enhance the mineral prospectivity of the continent, and lead to increased green-fields private sector exploration and mine development investment. An added benefit is that geological information has a universal value and is useful in other economic sectors, such as infrastructure and agriculture

Currently, there is limited availability and access to basic geological information and mineral inventories in Africa. A large percentage of the continent is yet to be geologically mapped and explored in a systematic manner and at an appropriate scale. This is mainly due to the inadequate capacity in most member States to carry out exploration activities and store these in digital geological information systems.

The inadequacy of geological and mineral information has resulted in African countries being disadvantaged during negotiations with mining companies. Geological data, including maps and mineral resources inventories are the essential basis for assessing the potential for mineral projects and granting exploration and mining permits. Thus a comprehensive geological and mineral information database will provide governments with better decision-making options and the capacity to negotiate sustainable mineral development contracts with foreign investors. However, the production, maintenance, and management of geological and mineral information data requires a lot of fieldwork and the use of modern exploration technologies, as well as skills that are generally in short supply in Africa.

Programme cluster goal - *To develop a comprehensive knowledge of Africa's mineral endowment*

Action Plan

EXPECTED ACCOMPLISHMENT	ACTIVITIES	TIME FRAME	MONITORING INDICATORS	RESPONSIBLE BODIES AND MAIN ACTORS
Improved geological and mineral information systems to underpin investment in exploration and mine development	<p>At national level</p> <ul style="list-style-type: none"> □ Enhance the capacity and role of national geological institutions; □ Improve resourcing of national geological survey institutions; □ Improve a geological information management system □ Increase regional mapping and exploration activities to upgrade mineral inventories and geo-scientific information base □ Create and reinforce synergy between the different geological and mining related institutions (Ministries, Universities, Research Centres, etc) <p>At sub regional and regional levels</p> <ul style="list-style-type: none"> □ RECs to adopt and implement sub-regional mapping and mineral inventory programmes including through the use of modern remote sensing techniques; □ RECs to scale-up efforts to standardize geological information management methods and approaches (e.g. stratigraphy, cadastre, legends, etc) □ AUC to develop a continent-wide mapping and mineral inventory programme with special attention on cross broader areas in coordination with the Organization of African Geological Surveys 	<p>MT</p> <p>ST</p> <p>ST</p> <p>MT</p> <p>ST</p> <p>MT</p> <p>MT</p> <p>MT</p>	<ul style="list-style-type: none"> □ Levels of improvement in geological knowledge and mineral potential □ Numbers and types of functioning geo-scientific databases, cadastres and infrastructure system. □ Number of consultative frameworks (eg MoU) □ Number of joint projects undertaken □ Number of joint exploration programmes across member States □ Types and format of harmonized geo-scientific data across member States □ Continent-wide exploration programme developed and implemented by member States □ Effectiveness of continent-wide initiatives such as NRIE and AEGOS 	<p>MS</p> <p>EU</p> <p>EU Geo Services</p> <p>Bilateral</p> <p>RECs</p> <p>AUC</p> <p>UNCTAD</p>

EXPECTED ACCOMPLISHMENT	ACTIVITIES	TIME FRAME	MONITORING INDICATORS	RESPONSIBLE BODIES AND MAIN ACTORS
	<p>(OAGS) and mobilize the necessary resources for implementation.</p> <ul style="list-style-type: none"> <li data-bbox="495 402 911 537">□ Promote collaboration between the different national geological and mining related institutions (Ministries, Universities, Research Centres, etc) <li data-bbox="495 540 911 651">□ Promote current continental wide geoscience initiatives such as the Natural Resource Information Exchange (NRIE) and AEGOS 	<p style="text-align: center;">ST</p> <p style="text-align: center;">ST</p>		

Programme cluster 3 – Building human and institutional capacities

Context

Institutions that support mineral development in Africa are generally weak and not necessarily appropriate to meet the objectives of the AMV. These weaknesses extend to government departments charged with the responsibility of formulating policies, laws and regulations related to mining. They also extend to institutions with the responsibility of negotiating mineral development agreements, and monitoring and regulating the exploitation of mineral resources. These government departments are often poorly resourced, and this coupled with weakness in skill levels, as well as a lack of synergy with other relevant departments, leads to weak policy formulation and implementation, poorly managed regulation of company mining operations and mineral development contracts that do not deliver the full development benefits from mineral resources.

The above weaknesses also extend to education and training institutions. These are characterised by geographical paucity in the continent, and where they are available, they are generally poorly funded and face debilitating manpower shortages. This results in significant shortages in mineral related skilled manpower both in qualitative and quantitative terms. Partly, the situation is exacerbated by the fact that industry does not significantly participate in the delivery of education and training as happens in mature mining countries, such as South Africa, Australia and Canada

The realisation of the AMV will require a significant upgrade in skill levels, in terms of variety, depth and quantities and the development of new skills, for example in the area of planning and oversight. Additionally, public officials charged with administering and managing mineral operations and collecting revenues will require a much broader skill base to discharge their responsibilities. Further, a number of stakeholder institutions that are important to the well functioning of a development oriented mineral sector will also need significant skills upgrading. This, for example, includes providing capacity building courses to parliaments, local communities, civil societies and NGOs to enable them discharge their roles in providing checks and balances to Government functions, and to generally permit their effective participation.

Programme cluster goal - *To create a mining sector that is knowledge driven and is the engine of an internationally competitive African industrial economy*

Action Plan

EXPECTED ACCOMPLISHMENT	ACTIVITIES	TIME FRAME	MONITORING INDICATORS	RESPONSIBLE BODIES AND MAIN ACTORS
Competitive skill base that is knowledge based and drives an African industrial economy	<p>At national level</p> <ul style="list-style-type: none"> □ Assess human resources and skills need for the mining sector □ Resource and strengthen training and public institutions to attract, train, □ Diversify education, academic and professional training funding sources to include private sector, □ Strengthen continuing professional development through short courses; □ Align human resources development to AMV policy direction and needs of industry □ Build capacities of government officials and other stakeholders on aspects of the mineral value chain, such as minerals marketing, taxation, accounting, auditing and contract negotiations □ Build stakeholder knowledge and capacities on policies, legal frameworks and regulation of the mineral sector □ Develop strategies and guidelines to retain competent staff, and to acquire necessary technologies and equipment to perform their functions □ Coordinate and ensure policy coherence within and across public sectors 	<p>ST</p> <p>MT</p> <p>MT</p> <p>ST</p> <p>ST/MT</p> <p>ST</p> <p>ST/MT/LT</p> <p>MT</p> <p>ST</p>	<ul style="list-style-type: none"> □ Increased numbers of students graduating in mineral related qualifications □ Level and diversity of sources of funding □ Number of public officials and other stakeholders attending capacity building programmes □ Levels of synergy created between the different public sector departments, etc □ Degree of alignment of education and training programmes to AMV and industry needs □ Availability of updated and comprehensive sources of information to the public and other stakeholders □ Number and frequency of means to ensure participation of different stakeholders □ Extent of decrease in turnover rates of mining related personnel 	<p>MS</p> <p>RECs</p> <p>AUC</p> <p>Bilateral</p> <p>ECA</p> <p>AfDB</p> <p>WB</p> <p>PVTS</p> <p>UNCTAD</p>

EXPECTED ACCOMPLISHMENT	ACTIVITIES	TIME FRAME	MONITORING INDICATORS	RESPONSIBLE BODIES AND MAIN ACTORS
	<p>At sub regional and regional levels</p> <ul style="list-style-type: none"> <input type="checkbox"/> Compile database of existing education and training institutions <input type="checkbox"/> Establish a strong inter university collaborative programmes <input type="checkbox"/> Develop a uniform accreditation and competence framework at sub regional level; <input type="checkbox"/> Improve cross-country accessibility of learning centres. <input type="checkbox"/> AUC and RECs to promote the movement of skills within and between regions <input type="checkbox"/> Promote the development of mining centres of excellence 	<p style="text-align: center;">ST</p> <p style="text-align: center;">ST</p> <p style="text-align: center;">MT</p> <p style="text-align: center;">ST/MT</p> <p style="text-align: center;">MT/LT</p> <p style="text-align: center;">MT/LT</p> <p style="text-align: center;">MT</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Increased levels of inter university collaborative programmes at sub regional and regional levels <input type="checkbox"/> Increased number of students attending cross country training programmes <input type="checkbox"/> Harmonized accreditation systems within the five regions <input type="checkbox"/> Harmonized legal and regulatory framework of mining labour markets <input type="checkbox"/> Numbers of specialised regional centres of excellence 	

Programme cluster 4 – Artisanal and small scale mining

Context

Artisanal and small scale mining is widespread in Africa and exploits a very large number of minerals. These range from diamonds and a variety of other gemstones, to precious metals, such as gold and tantalite, to industrial minerals, including limestone for aggregate and agricultural purposes, clays for pottery and other uses and many other non-metallic minerals. Generally, small scale mining makes a positive contribution to African economies but, more importantly it sustains livelihoods, especially given the large numbers of people involved.

Yet this sector is beset with a number of challenges which prevent it reaching its full developmental potential. Many of these are well known and include inadequate policy and regulatory frameworks; the limited technical capacity of miners; inadequately explored mineral bearing areas; lack of access to finance and appropriate technologies; and regrettably, child labour issues. These challenges generally lock small scale miners in a cycle of subsistence operations with significant negative consequences on the environment and human life. Further, the ASM sector is also prone to trade in conflict minerals as many of the miners operate outside the law for various reasons.

The ASM sector can be transformed into an engine for sustainable development, particularly in rural areas, if these challenges are adequately addressed through a series of well targeted interventions. These should recognise the need for ASM policy to be embedded into a broad rural development strategy, taking into account the poverty cycle that limits the development of the ASM sector in Africa. ASM interventions ought to also target transforming operations into viable ones, wherever possible.

Programme cluster goal - *To create a mining sector that harnesses the potential of artisanal and small scale mining to advance integrated and sustainable rural socio-economic development*

Action Plan

EXPECTED ACCOMPLISHMENT	ACTIVITIES	TIME FRAME	MONITORING INDICATORS	RESPONSIBLE BODIES AND MAIN ACTORS
<p>A viable and sustainable artisanal and small scale mining sector that contributes to growth and development</p>	<p>At national level</p> <ul style="list-style-type: none"> □ Regularise and mainstream ASM into broad stream socio-economic activities; □ Develop policies laws, regulations, standards and codes to promote a viable and sustainable ASM sector □ Develop programmes to upgrade knowledge, skills and technologies in the ASM sector; including: <ul style="list-style-type: none"> ○ Promoting local service providers in the sub-sector; ○ models for partnership with government and large-scale mines to facilitate access to technology, skills, knowledge and markets; ○ financing and marketing programmes appropriate to the ASM sector ○ Improved health, safety, environment and gender in ASM □ Determine and designate geologically suitable areas for ASM □ Promote youth employment and engagement in the ASM sector □ Develop methodologies or templates for distinguishing potentially viable ASM operations for targeted support □ Develop and strengthen ASM associations. 	<p>MT</p> <p>ST</p> <p>ST</p> <p>ST</p> <p>ST</p> <p>MT</p> <p>ST</p> <p>MT</p> <p>ST</p> <p>ST</p>	<ul style="list-style-type: none"> □ Number of ASM regularised and mainstreamed □ Viable and sustainable ASM policies, regulations, standards and codes exist □ Number of services offered locally, e.g. milling, drilling & blasting □ Increase in number of ASM operators being mentored by LSM □ Number of ASM who have access to financing □ Number of designated areas for ASM operations □ Decrease in environmental pollution and number of fatalities □ Number of youth employed in ASM compared to total youth unemployed □ Number of ASM associations and their quality □ Number of ASM compliant to international instruments □ Number of local value adding ASM operations 	<p>MS</p> <p>RECs</p> <p>Bilateral</p> <p>WB</p> <p>ILO</p>

EXPECTED ACCOMPLISHMENT	ACTIVITIES	TIME FRAME	MONITORING INDICATORS	RESPONSIBLE BODIES AND MAIN ACTORS
	<ul style="list-style-type: none"> <input type="checkbox"/> Implement international and Regional instruments relevant to the ASM sector <input type="checkbox"/> Develop programmes for promoting value-addition in ASM <input type="checkbox"/> Develop institutional linkages from national through to local levels for effective management of ASM <p>At sub regional and regional levels</p> <ul style="list-style-type: none"> <input type="checkbox"/> RECs to harmonize ASM policies, laws, regulations, standards and codes; <input type="checkbox"/> Coordinate and facilitate technology development and transfer at sub regional level <input type="checkbox"/> Develop and promote implementation of a regional tool kit for engagement between LSM and ASM including requiring LSM to develop the capacity of ASM <input type="checkbox"/> RECs to lead initiatives to formalize and upgrade skills, knowledge and practices in the artisanal and small-scale mining sector; <input type="checkbox"/> Promote and coordinate standard measures for training examination and certification for the ASM sector <input type="checkbox"/> AUC/NCPA to lead efforts to develop continental policies, laws, regulations, standards and codes to promote sustainable ASM; <input type="checkbox"/> Adopt and strengthen measures to address illicit trade in minerals 	<p>MT</p> <p>MT</p> <p>ST</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Number of RECs with harmonized policies, laws, regulations, standards and codes; <input type="checkbox"/> Number of countries adhering to harmonized policies in each REC <input type="checkbox"/> Number of countries with viable and sustainable ASM policies <input type="checkbox"/> Number of technologies developed <input type="checkbox"/> Number of countries within each REC adopting and implementing skills upgrading initiatives <input type="checkbox"/> Number of people attending regionally organised capacity building workshops <input type="checkbox"/> Level of improvement in the operations of ASM <input type="checkbox"/> Number of ASM operators mentored by LSM <input type="checkbox"/> Degree to which regional tool kits are used by Member States <input type="checkbox"/> Extent to which illegal trade in minerals is reduced 	

Programme cluster 5 – Mineral sector governance

Context

Governance refers to the legal and institutional environment in which various actors in the mineral sector interact. Lessons from Africa, and elsewhere, indicate that strong transparent and participatory governance processes, at all levels, can assist mineral-rich countries attain sustainable economic growth and socio-economic development. Public participation legitimizes a project, thus reducing the costs emanating from the social tensions that can result from an externally-imposed project

Generally, there has been a trend towards improved multi-stakeholder interactions with greater stakeholder engagement in policy making and decisions related to mineral development, as a whole. However, challenges remain. For a start, public participation processes are not entrenched. Governments for example, see policy making as their prerogative while between mining companies and communities; there is an asymmetry in power relations. This asymmetry is exacerbated by a general lack of capacity and material resources, especially for weak vulnerable groups. Often, there is also a mismatch between the expression of public participation rights in formal instruments and their implementation. Inadequate participatory approaches may lead to conflict by dissatisfied communities around mining projects.

The exploitation of minerals has been associated with the violation of human rights. This is one of the most prominent issues raised by mining-affected communities and civil society organizations working on mining issues. Respect for human rights by companies is an important part of their social licence to operate, but the scope of the obligations imposed on them by international human rights law is limited and contentious, even as it is widely recognized that with the growth of global power and reach of corporations, domestic regulation is inadequate to protect human rights from corporate infractions.

Programme cluster goal -*To create a sustainable and well governed mining sector that is inclusive and appreciated by all stakeholders including surrounding communities*

Action Plan

EXPECTED ACCOMPLISHMENT	ACTIVITIES	TIME FRAME	MONITORING INDICATORS	RESPONSIBLE BODIES AND MAIN ACTORS
<p>A well-governed mining sector that is inclusive and appreciated by communities and other stakeholders</p>	<p>At national level</p> <ul style="list-style-type: none"> □ Strengthen transparency and access to information at all levels □ Improve public participation through formulation of national policies, laws and regulations and domesticating relevant provisions on public participation contained in International Conventions □ Resource the legislature to provide effective oversight over mineral sector institutions and mining companies □ Develop programmes to strengthen the capacity of local governments, communities, CSOs and mining companies to make informed decisions on mining projects □ Establish multi-stakeholder mechanisms to ensure broad participation in the decision making, monitoring and evaluation of mineral projects □ Develop guidelines for the equitable distribution and utilisation of portions of the mineral wealth □ Develop instruments to domesticate the Protocol of Free Prior Informed Consent with respect to communities affected by mining □ Strengthen and develop policy coherence to reinforce CSR 	<p>ST</p> <p>ST</p> <p>ST</p> <p>ST</p> <p>ST</p> <p>MT</p> <p>ST</p>	<ul style="list-style-type: none"> □ Existence of legislation and policy for transparency and public access to information □ Extent of public disclosure of relevant information on the mining sector □ Number of policies, laws and regulations on public participation □ Number of laws that domesticate international Conventions □ Increase in budgetary allocation for legislature for oversight of the mineral sector □ Extent to which legislature provides oversight of the mineral sector □ Number of programmes for capacity building targeted at the needs of each stakeholder group □ Decisions made on mining projects incorporate the views of diverse stakeholders □ Degree to which communities and other stakeholders participate in policy making processes and mining projects □ Number of people attending capacity building workshops 	<p>MS</p> <p>RECs</p> <p>NGOs</p> <p>CSOs</p> <p>ECA</p> <p>WB</p> <p>UNCTAD</p>

EXPECTED ACCOMPLISHMENT	ACTIVITIES	TIME FRAME	MONITORING INDICATORS	RESPONSIBLE BODIES AND MAIN ACTORS
Improved human rights in Africa's mineral sector	At sub regional and regional levels			
	<input type="checkbox"/> Coordinate alignment of national and regional policies with AMV to improve public participation	MT	<input type="checkbox"/> Degree to which regional policy guidelines on participation are adopted by member States	
	<input type="checkbox"/> Develop indicators for integrating mineral resource governance in the APRM	MT	<input type="checkbox"/> Mineral resource governance indicators included in APRM	
	<input type="checkbox"/> Develop guidelines for public participation in mining	MT		
	At national level			
	<input type="checkbox"/> Ratify and domesticate human rights conventions and instruments relevant to the mineral sector	MT	<input type="checkbox"/> Degree to which HR institutions are independent	
	<input type="checkbox"/> Develop and implement guidelines for companies to comply with human rights standards	ST	<input type="checkbox"/> Extent of reduction in human rights violations	
<input type="checkbox"/> Empower public human rights institutions to monitor enforcement of human rights standards with respect to mining	ST	<input type="checkbox"/> Levels to which HR tools and methodologies are applied		
<input type="checkbox"/> Resource HR organisations to monitor and enforce human rights standards in relation to mineral operations	ST	<input type="checkbox"/> Increase in resource levels of HR organisations		
<input type="checkbox"/> Develop methodologies and tools for mainstreaming health and human rights issues into impact assessment procedures and policy planning frameworks	ST			

EXPECTED ACCOMPLISHMENT	ACTIVITIES	TIME FRAME	MONITORING INDICATORS	RESPONSIBLE BODIES AND MAIN ACTORS
	<p>At sub regional and regional levels</p> <ul style="list-style-type: none"> <input type="checkbox"/> Establish common human right norms and procedures for the mining sector and embed these into the APRM and ACHPR, <input type="checkbox"/> Promote joint and collaborative implementation of human rights standards 	<p>MT</p> <p>ST</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Extent to which HR are applied as part of the APRM and ACHPR, <input type="checkbox"/> Number of HR collaborative initiatives 	

Programme cluster 6 – Research and development

Context

With the exception of South Africa, the mineral sector in Africa generates little new knowledge in terms of mining-related products, processes technologies and services. Generally, indicators for the capacity for knowledge generation and innovation are availability of scientists and engineers, the quality of scientific research institutions, university-industry research collaboration, company spending on R&D, and government procurement of advanced technology products. These are all generally much lower in Africa than those found in other emerging economies. There are a number of reasons for this, and these include the weak funding, both from public and private sources, of technology institutions and research processes and the general weak partnerships between research institutes and mining companies. This in turn leads to weak science and technology capacity. R&D needs to be aligned to each country's national development plan and this is a key pre-requisite for an industrialisation policy based on value addition to mineral products and the development of linkages and clusters in the sector.

The dearth of institutions engaged in R&D activities in Africa presents a critical technical challenge to the competitiveness of the African mineral sector. There is therefore need to deliberately encourage research and development, and innovation which benefit from sufficient independence and financial autonomy in order to pursue the goal of the AMV to use mining as a spring board for industrialisation.

Programme cluster goal - *To create a knowledge driven mining sector that is a key component of a diversified, vibrant and globally competitive industrialising African economy*

Action Plan

EXPECTED ACCOMPLISHMENT	ACTIVITIES	TIME FRAME	MONITORING INDICATORS	RESPONSIBLE BODIES AND MAIN ACTORS
<p>A knowledge driven, diversified, globally competitive mining sector that is a key component of an industrialising African economy</p>	<p>At national level</p>			
	<ul style="list-style-type: none"> <input type="checkbox"/> Improve funding for minerals research including focus on improved mineral extraction processes as well as environmental and social impacts 	MT	<ul style="list-style-type: none"> <input type="checkbox"/> Extent of increase in funding levels allocated to R&D 	MS
	<ul style="list-style-type: none"> <input type="checkbox"/> Develop schemes and incentives for industries that consume and promote useable domestic research products 	MT	<ul style="list-style-type: none"> <input type="checkbox"/> Increase in mining companies involvement in funding R & D <input type="checkbox"/> Degree of effectiveness of incentives in promoting R & D 	RECs
	<ul style="list-style-type: none"> <input type="checkbox"/> Develop mineral (and tax) law and policy instruments that will encourage R&D and HRD; 	MT		AUC
	<ul style="list-style-type: none"> <input type="checkbox"/> Develop detailed statistics on mineral production, exports, investment and public revenue generated by the mining industry to guide R & D 	ST	<ul style="list-style-type: none"> <input type="checkbox"/> Extent to which data and statistics are available to guide R & D 	PVTS
	<ul style="list-style-type: none"> <input type="checkbox"/> Develop guidelines of performance indicators that can be used as benchmarks for R&D 	ST		WB
	<ul style="list-style-type: none"> <input type="checkbox"/> Publish all R&D programmes with specific topics, the institutions and organisations in charge and the financing 	ST		Bilateral
	<ul style="list-style-type: none"> <input type="checkbox"/> Cultivate links of R&D policies on mining with national R&D policies 	ST		ECA
	<p>At sub regional and regional levels</p>			UNCTAD
	<ul style="list-style-type: none"> <input type="checkbox"/> Compile a compendium of current and potential centres of R&D at sub regional and regional levels; <input type="checkbox"/> Develop strategies to enhance 		<ul style="list-style-type: none"> <input type="checkbox"/> Degree of inter country collaboration in R & D <input type="checkbox"/> Effectiveness of information 	

EXPECTED ACCOMPLISHMENT	ACTIVITIES	TIME FRAME	MONITORING INDICATORS	RESPONSIBLE BODIES AND MAIN ACTORS
	<p>collaboration between R & D centres with a view to knowledge-sharing and technology transfer</p> <ul style="list-style-type: none"> <input type="checkbox"/> Develop exchange of information networks to enhance exchange of data and good practices <input type="checkbox"/> Establish a virtual African Mining Institute as a core of the network of national centres of excellence and as a component of the proposed Mineral Policy Centre, 	<p style="text-align: center;">ST</p> <p style="text-align: center;">ST</p> <p style="text-align: center;">ST</p>	<p>networks in meeting regional research needs</p> <ul style="list-style-type: none"> <input type="checkbox"/> Number of R & D institutions participating in virtual research networks 	

Programme cluster 7 – Environment and social issues

Context

Africa retains the environmental and social burden of mining and this reduces the benefits of its minerals exploitation when these costs are considered. While frameworks that incorporate environmental, and to a lesser extent social, issues into the evaluation of the costs and benefits of a mining projects has evolved significantly in the last 20 years, their, application to assess and regulate their impacts, has not developed that much in many African countries. Further, even in countries where these have developed, capacity to enforce them is often lacking.

The poor management and regulation of negative environmental and social impacts of mining have fuelled criticism and, in some cases, hostile attitudes towards the mining industry and governments among communities affected by mining and a range of civil society organisations. The occurrence of these impacts can be reduced and the effects mitigated, where impacts are unavoidable.

Addressing the adverse environmental and social impacts of mining requires a multi-pronged approach. On their part, Governments need to strengthen the frameworks that govern environmental and social impact assessment, management and regulation. They should also enhance the capacities and effectiveness of regulatory agencies and improve the culture of how these institutions interact with citizens and communities affected by mining. This would help minimise conflicts and tensions with communities due to displacement and disruption of livelihoods by mining activities.

On their part, companies need to improve the practice and application of corporate social responsibility. Today there is a proliferation of CSR frameworks, norms and reporting formats—some are legislated, but most are guidelines or voluntary codes. These myriad sources and frameworks are often uncoordinated and sometimes confusing. It is important therefore to embed CSR in a framework whose responsibilities are clear and is part of a broader social development agenda that has been consultatively developed between Government, mining companies and communities. This would strengthen the social licence for mining projects.

Programme cluster goal - *To create a mining sector that is environmentally friendly, socially responsible and appreciated by all stakeholders and surrounding communities.*

Action Plan

EXPECTED ACCOMPLISHMENT	ACTIVITIES	TIME FRAME	MONITORING INDICATORS	RESPONSIBLE BODIES AND MAIN ACTORS
<p>A mining sector that is environmentally friendly, socially responsible and is appreciated by communities.</p>	<p>At national level</p> <ul style="list-style-type: none"> □ Strengthen skills, standards, and knowledge of state institutions for effective environmental management □ Improve capacity of state institutions, for environmental regulation □ Mainstream the principles of impact assessments including Strategic, Environmental, Social, Human Rights, Health into national mining policies, laws, and regulations, □ Develop and implement guidelines for impacts and benefits agreements with communities in mining areas □ Establish and monitor implementation of environmental and social funds as part of mandatory requirements for continued mining operations □ Develop a sustainable environmental, social and health & safety strategy to reduce or eliminate the adverse impacts of ASM □ Build capacities of communities, ASMs and CSOs to negotiate impact and benefits agreements □ Develop guidelines for emergency response, risk reduction and disaster preparedness 	<p>MT</p> <p>MT</p> <p>ST</p> <p>ST</p> <p>ST</p> <p>ST</p> <p>ST</p> <p>MT</p> <p>MT</p>	<ul style="list-style-type: none"> □ Number of strengthened institutions with adequate skills and knowledge □ Number of policies containing principles of impact assessments □ Number of impacts and benefits agreements developed and/or implemented □ Number of social funds established □ Number of respective stakeholders trained □ Number of agreements successfully negotiated with community participation □ Number of companies with established conflict resolution mechanism □ Number of disputes resolved under the mechanism □ Number of environmental, social and health disasters that are addressed by guidelines □ Extent to which communities are not disadvantaged by litigation on mining issues 	<p>MS</p> <p>RECs</p> <p>AUC</p> <p>PVTS</p> <p>WB</p> <p>UNEP</p> <p>NGOs</p> <p>CSOs</p> <p>Bilateral</p>

EXPECTED ACCOMPLISHMENT	ACTIVITIES	TIME FRAME	MONITORING INDICATORS	RESPONSIBLE BODIES AND MAIN ACTORS
	<ul style="list-style-type: none"> <input type="checkbox"/> Develop guidelines for protection of communities from claims for costs arising out of any litigation instituted on behalf of communities or public interest <input type="checkbox"/> Develop guidelines for grievance, dispute and conflict resolution, including the establishment of the office of an Ombudsman <p>At sub regional and regional levels</p> <ul style="list-style-type: none"> <input type="checkbox"/> Develop and adopt common environmental, social, health and safety standards and norms for the mining sector <input type="checkbox"/> Develop toolkits and guidelines for environment, social, safety and health management at the sub regional and regional levels <input type="checkbox"/> Harmonise and coordinate guidelines for impacts and benefits agreements and procedures for community-company negotiations <input type="checkbox"/> Assist member countries in the implementation of Business and Human Rights Frameworks related to mining <input type="checkbox"/> Compile and share best practices of mining at regional and sub-regional <input type="checkbox"/> Develop environmental information data base with respect to mining <input type="checkbox"/> Establish environmental and social funds for the mining sector 	<p>ST</p> <p>ST</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Number of RECs with common standards and norms in place <input type="checkbox"/> Extent to which common standards, toolkits and guidelines are implemented at national level <input type="checkbox"/> Extent to which toolkits are applied in the RECs and countries for environment, social, safety and health management. <input type="checkbox"/> Number of RECs and member States adopting guidelines for impacts and benefits agreements <input type="checkbox"/> Effectiveness of impacts and benefits agreements in securing benefits for communities <input type="checkbox"/> Number of countries that have made Business and Human Rights Frameworks a fundamental requirement <input type="checkbox"/> Number of countries with access to environmental database <input type="checkbox"/> Existence of fully resourced environmental and social funds 	

Programme cluster 8 – Linkages and diversification

Context

Generally, linkages between the mining and other economic and social activities are not well developed in the African mineral industry, with the exception of the transport and energy sectors. This reflects the reliance of the industry to extract and evacuate bulk minerals to overseas markets.

A number of challenges inhibit the development of economic linkages in the African mineral sector. These for example, include large infrastructural deficits, which constrain the movement of goods and services; the weak African markets for mineral products, which reflect the overall low level of Africa's industrialisation; technological deficiencies, low levels of R&D and the large skill gaps existing in the continent.

However, linkage development will not just happen because Africa has world class mineral deposits. It requires the right policies and strategies to leverage mineral extraction and processing operations into broader economic development outcomes. The measures required include identifying those minerals which offer significant possibilities for national and regional industrial development and integration; investing in infrastructure networks, setting terms, within the power of government, for access to mineral resources that impose linkage conditions on mineral rights holders and also provide incentives for investors to structure projects in ways that deepen their integration into the broader national and regional economy; making provisions for local content and empowerment of citizens in legislation and investing in human resources and knowledge development, particularly to grow the higher level technical skills base required by the minerals industry.

Programme cluster goal - *To create a mining sector that catalyses and contributes to broad-based growth and development through upstream, downstream, sidestream and infrastructure linkages*

Action Plan

EXPECTED ACCOMPLISHMENT	ACTIVITIES	TIME FRAME	MONITORING INDICATORS	RESPONSIBLE BODIES AND MAIN ACTORS
Enhanced mineral based industrialization and diversification of African economies;	<p>At national level</p> <ul style="list-style-type: none"> <input type="checkbox"/> Identify and promote development of minerals to enhance economic linkages <input type="checkbox"/> Develop value addition policies and strategies (based on supply-chain analyses) including local content and beneficiation <input type="checkbox"/> Investigate the judicious use of export taxes to encourage beneficiation <input type="checkbox"/> Identify and promote viable beneficiation projects <input type="checkbox"/> Review and align international agreements to create space for mineral resource based industrialization and development; <input type="checkbox"/> Create a database on tariff and non-tariff barriers to mineral-based value added products and expand their access to regional and global markets <input type="checkbox"/> Promote holistic and multi-sectoral approaches to mineral development policy <input type="checkbox"/> Develop institutional arrangements that combine the minerals, industry, trade and STI complexes. <p>At sub regional and regional levels</p> <ul style="list-style-type: none"> <input type="checkbox"/> Review best practice in state 	<p>ST-MT</p> <p>ST-MT</p> <p>ST</p> <p>ST</p> <p>MT</p> <p>ST</p> <p>ST-MT</p> <p>ST-MT</p>	<ul style="list-style-type: none"> <input type="checkbox"/> % increase in value addition (local content and beneficiation) <input type="checkbox"/> Level of effectiveness of linkages and local content policies <input type="checkbox"/> % increase in local content and value addition <input type="checkbox"/> Export tax legislation in place <input type="checkbox"/> Number of successful projects and % value addition <input type="checkbox"/> Extent to which international agreements are aligned to national industrialisation strategies <input type="checkbox"/> Database completed and extent to which it is used to stimulate the manufacture of value added mineral products <input type="checkbox"/> Arrangements in place and extent of collaboration between institutions/departments that impact on the development of mineral resources <p><input type="checkbox"/> Guidelines and toolkits on state</p>	<p>MS</p> <p>RECs</p> <p>AUC</p> <p>PVTS</p> <p>AfDB</p> <p>WB</p> <p>EU</p> <p>Bilateral</p> <p>UNCTAD</p>

EXPECTED ACCOMPLISHMENT	ACTIVITIES	TIME FRAME	MONITORING INDICATORS	RESPONSIBLE BODIES AND MAIN ACTORS
	<p>equity participation and develop guidelines and toolkits for RECs and member states</p> <ul style="list-style-type: none"> <input type="checkbox"/> Cooperate in the formulation and implementation of trade and investment policies that facilitate linkages development <input type="checkbox"/> Ensure that WTO, EPAs, FTAs, BITs and other bilateral, regional and/or international agreements do not constrain policy space for mineral resource based industrialisation and value addition. <input type="checkbox"/> Develop regional strategies to eliminate tariff and non-tariff barriers to mineral-based value added products and expand their access to regional and global markets. <input type="checkbox"/> Develop a framework for mineral value addition in Africa for RECs and member states <input type="checkbox"/> Develop best practice guidelines for holistic and sector-wide and multi-sectoral approaches to mineral development policy for RECs and member states <input type="checkbox"/> Develop best practice on new institutional arrangements combining the minerals, industry, trade and STI complexes for RECs & member states <input type="checkbox"/> Review best practice in linkages promotion and develop guidelines and toolkits for RECs & member states 	<p>ST</p> <p>ST</p> <p>ST</p> <p>ST-MT</p> <p>ST</p> <p>ST</p> <p>ST</p> <p>ST</p>	<p>participation completed and distributed to RECs and members states.</p> <ul style="list-style-type: none"> <input type="checkbox"/> Effectiveness of regional strategies in eliminating tariff and non-tariff barriers <input type="checkbox"/> Increase in investments in linkage industries and number of intra-regional initiatives (e.g SDIs) <input type="checkbox"/> Extent to which international agreements are aligned with mineral resource based industrialisation and value addition strategies <input type="checkbox"/> Extent to which regional strategies support mineral based industrialisation in Africa <input type="checkbox"/> Framework for mineral value addition in place and implemented <input type="checkbox"/> Best practice guidelines in place and implemented 	

Programme cluster 9 – Mobilizing mining and infrastructure investment

Context

Africa's mineral resources have never been in higher demand. Prices have risen exponentially and generally investment in exploration and mining projects has increased over the past decade. Yet due to Africa's large infrastructure deficit, especially in transport and energy, wider investment in mining projects remains a constraint to increased mineral exploitation. This is exacerbated by the fact that mineral deposits occur in areas where economic infrastructure is unavailable.

However, it is not only infrastructure constraints that limit investment into new mineral projects. A plethora of perceived risk factors, among them political risk, sovereign credit ratings, technical risk, etc also tend to limit the levels of investment into mining and infrastructure projects in Africa. This is more so for large scale mining and infrastructure projects with long payback periods. A further limiting factor is that domestic sources of capital, as well as the private sector, do not fully participate in infrastructure projects to unlock increased mineral project opportunities.

The motivation for investment promotion is that the mineral resource base of the region is under-exploited and hence additional investment is required to increase the exploration rate for new deposits, and the development of new mines, as well as for the modernisation and expansion of existing plants. The continued investment flows into the African mineral sector requires that the international community is made aware of opportunities available in the region.

The possibility of simultaneous infrastructure and mining investment, such as a natural resources driven development corridor, offers a pragmatic approach not only for unlocking mining and infrastructure projects, but other collateral economic and social opportunities. Mining SDIs offer a practical approach to public infrastructure investments given their reasonably large requirements for water, energy and transport. While this would satisfy the current need for additional mine capacity due the high demand for mineral commodities, and mining infrastructure, the additional scope for other economic and social use would accelerate Africa's pace of development.

Programme cluster goal - *To increase the level of investment flows into mining and infrastructure projects to support broad socio-economic development*

Action Plan

EXPECTED ACCOMPLISHMENT	ACTIVITIES	TIME FRAME	MONITORING INDICATORS	RESPONSIBLE BODIES AND MAIN ACTORS
Enhanced investment in mining and infrastructure projects in Africa;	<p>At national level</p> <ul style="list-style-type: none"> □ Develop effective investment promotion and protection strategies □ Develop improved strategies to target financiers for R4Is with emphasis on greenfield projects in mining and infrastructure □ Develop strategies to establish the requisite feeder infrastructure to maximise the developmental impact of the resources infrastructure. □ Identify and develop SDIs at national level □ Develop and implement financial reforms to create an enabling environment for innovative sources of finance such as bond issuance and pension and insurance funds to participate in mining and infrastructure investment □ Develop strategies for user-concessions for resources infrastructure to minimise third party tariffs □ Create or strengthen PPI units to enable the participation of the private sector in infrastructure projects □ Develop structures for planning, financing and development of infrastructural projects that support linkage development 	<p>ST</p> <p>ST</p> <p>ST</p> <p>ST</p> <p>ST-MT</p> <p>ST-MT</p> <p>ST</p> <p>ST</p>	<ul style="list-style-type: none"> □ Improved investment flows into mining and infrastructure projects □ % increase in mining & infrastructure projects □ Effectiveness of strategies to develop feeder infrastructure □ Degree to which national SDIs are established and made operational □ Degree to which reforms promote local long term financial markets □ Degree to which strategies promote third parties use of infrastructure □ Number of PPI Units created/strengthened and are effective □ Structures for planning, financing and development of infrastructural projects are in place and functional □ Extent to which domestic capital resources are used to invest in infrastructure and mining projects □ % increase in local financing 	<p>MS</p> <p>RECs</p> <p>AUC</p> <p>NCPA</p> <p>Bilateral</p> <p>WB</p> <p>EU</p> <p>AfDB</p> <p>ECA</p> <p>PVTS</p> <p>UNCTAD</p>

EXPECTED ACCOMPLISHMENT	ACTIVITIES	TIME FRAME	MONITORING INDICATORS	RESPONSIBLE BODIES AND MAIN ACTORS
	<ul style="list-style-type: none"> <input type="checkbox"/> Develop strategies to encourage local sourcing of project finance At sub regional and regional levels <input type="checkbox"/> Develop structures for planning, financing and development of regional infrastructural projects that support linkages development <input type="checkbox"/> Facilitate cross-border or regional infrastructure investments <input type="checkbox"/> Embark on development corridor scoping studies to ascertain their economic viability <input type="checkbox"/> Identify short and medium term mining and infrastructure projects and package them for investment promotion at the sub-regional and regional levels <input type="checkbox"/> Establish capacity building programmes in infrastructure project preparation, valuation, negotiation, structuring and syndication <input type="checkbox"/> Promote the establishment of sub-regional capital markets to mobilize regional capital to finance regional projects and programmes <input type="checkbox"/> Explore potential for integrating mining infrastructure projects into PIDA programmes 	<p>MT</p> <p>MT</p> <p>ST</p> <p>ST</p> <p>ST</p> <p>ST-MT</p> <p>MT-LT</p> <p>MT</p> <p>ST</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Effectiveness of structures for planning regional infrastructure projects <input type="checkbox"/> Level of increase in financing regional infrastructure projects <input type="checkbox"/> Scoping studies completed and economic viability determined <input type="checkbox"/> Number of projects identified and packaged for investment <input type="checkbox"/> Improved project development capacity <input type="checkbox"/> Increased regional financing of mining projects <input type="checkbox"/> Degree to which mining infrastructure projects are part of the PIDA programme 	

Resourcing the Action Plan and the AMV

The Action Plan has been conceived as a multiyear, multi partner rolling plan whose implementation and success will depend on the levels and quality of partnerships that emerge. A number of key role players have been identified, based on their areas of current activities. This invariably means that different types and levels of resources are expected to leverage against the plan by the partners.

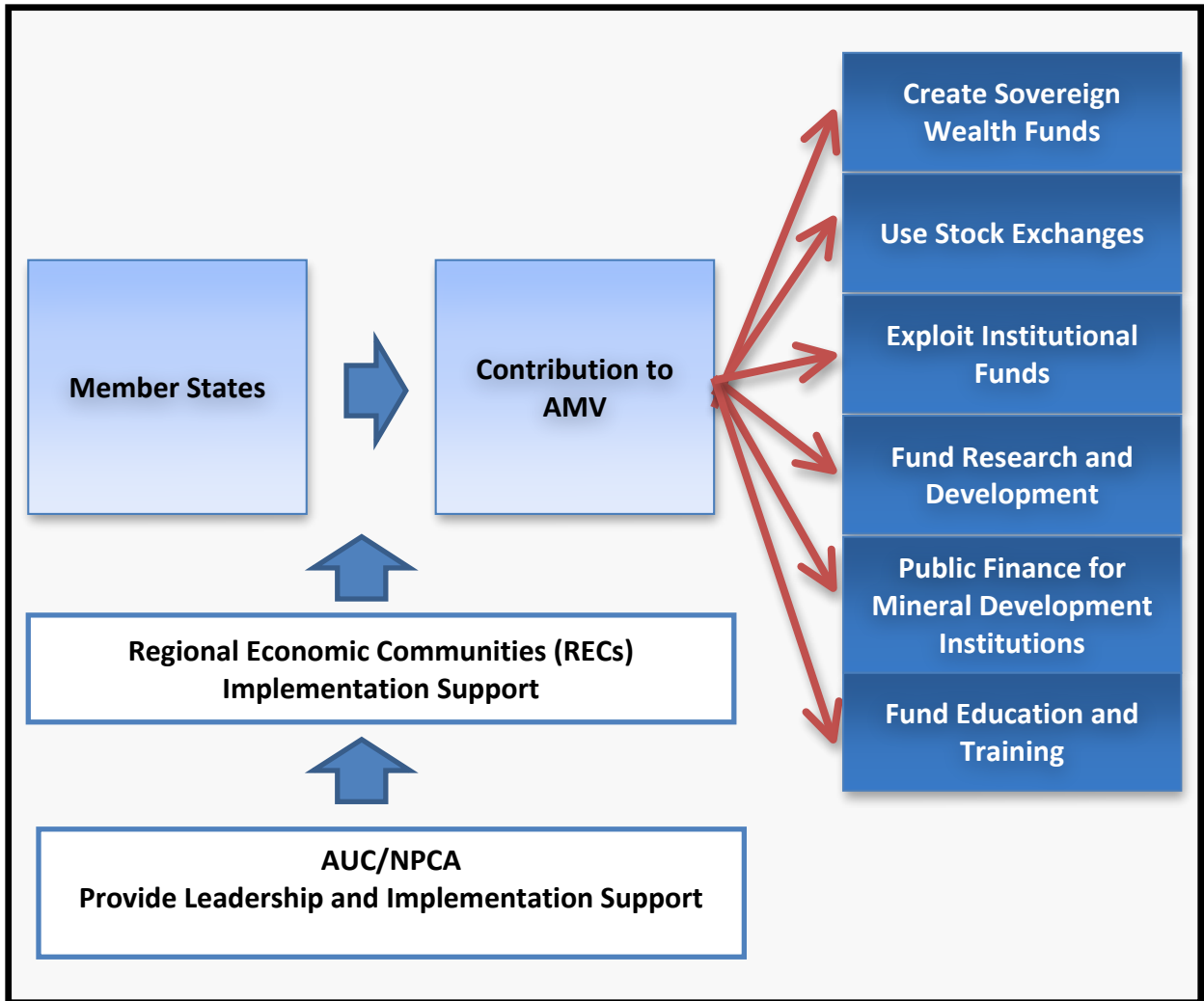
Member States and their institutions

Member States, individually and collectively, own the plan and hence carry the main burden of ensuring its implementation. As the main beneficiaries, they are expected to exercise leadership over its implementation. More specifically, Governments of member States should:

- Create the domestic and regional policy environment in which mining activities can thrive and therefore have a responsibility to align their mining policies to the vision;
- Fund educational and training institutions, research and development organisations and public sector institutions that regulate the mineral sector, such as geological surveys, mine safety departments and environmental monitoring agencies; and
- Provide infrastructure support for mining investment and infrastructure financing either as standalone projects or through public private partnerships, to facilitate the flow of investment into mining areas

Thus the State has a central role to play in implementing the AMV and this cannot be discharged without sustainable funding for public services such as geological surveys. Practical ways in which member States could meet these obligations, as part of efforts to resource the Action Plan, include ensuring that the taxes collected from mineral resources are optimised through well-structured tax and royalty regimes; and, setting aside a small proportion of mineral taxes paid to the State to ensure that the State's responsibilities are efficiently and effectively discharged.

In addition, Governments need to be strategic in how they provide broader infrastructural and mining investment support. Currently national development bank institutions (DBIs) and institutional funds, such as insurance and pension funds, are not active in mining investment and infrastructure projects. Governments need to create conducive conditions to mop up these resources, including, pursuing longer term institutional and financial reform to create longer term financial markets to enable the pension fund and insurance sectors to participate in mining related infrastructure finance investment. Governments could further incentivise commercial banks to move towards providing such finance through appropriate fiscal packages. Possible Government contributions in this respect include issuance of Government bonds for infrastructure finance in mining areas as well as establishing Sovereign Wealth Funds (SWF) from mineral revenue to provide a potential pool of financial resources for investing in mining and mining related infrastructure.



The RECs, NPCA and the AUC

Intergovernmental institutions represent key components in establishing policy coordination and harmonisation at sub regional and continental levels. The AUC represents the highest collective political decision making body and is expected to provide leadership over the plan on behalf of the AU. It is in fact the custodian of the AMV and hence its leadership is important. The NPCA represents the vehicle for implementing regional commons and projects, along with regional economic communities (RECs), such as key infrastructure to support mining activities. The RECs further represent avenues for establishing a favourable environment for cross border factor movement including skills, capital and investment. In addition, they enable the sharing of capacities in a broad range of areas of the AMV, such as capacity building and technology development. Thus it is important that the Action Plan also dovetails into the sub regional plans for harmonising policies.

Multilateral Development Partners

A number of multilateral development partners are already active in many areas of relevance to the AMV and some have expressed interest to collaborate with the AUC and its member States to realize the Vision.

The **EU**, for example, is already active in providing development finance for infrastructure development and mining finance through the European Investment Bank. The European Commission is also interested in working with the AU in the following areas of the Vision under the EU Raw Materials Initiative:

Natural Resources Governance – in revenue transparency (eg through EITI and the new legislation passed in November 2011 compelling EU natural resources companies to declare what they pay to Governments in taxes); capacity building in negotiating mining contracts, and in policy development in areas that promote trade

Infrastructure and mining investment - mapping mining development corridors and assessing opportunities for increasing local content mining value added

Geological Knowledge and skills - facilitating mineral exploration and building capacities of geological surveys and environmental management agencies.

The **World Bank** and its agencies are active in several areas including providing mining finance, through IFC, and participating in infrastructure finance. The World Bank also supports revenue transparency, through the Extractive Industries Transparency Initiative (EITI), contract negotiations through the Extractive Industries Technical Advisory Facility (EI-TAF), and sustainable livelihoods in the small scale mining sector through the Communities and Artisanal and Small Scale Mining (CASM). Areas for potential collaborative programmes with the World Bank hence include:

- Strengthening value chain audit functions and revenue management through EITI PREM
- Strengthening strategic planning in mining areas, such as the proposed infrastructure corridors
- Business linkages programs. Partnership with IFC and PSD
- Technology development and skills development

The **African Development Bank** are a full partner to the implementation of the AMV and together with the AUC and UNECA, represent the three premier pan African institutions tasked by the member States to implement the AMV. As a matter of fact, the Action Plan has been developed with co-funding from the AfDB. The Bank is active in infrastructure and mining finance, capacity building as well as technical assistance programmes. Through the Africa Legal Support Facility (ALSF), the Bank assists member States in cases of international litigation, as well as improve their capacities to negotiate beneficial natural resources contracts. AfDB could be used as a vehicle to advance AMV activities related to mineral rents and investment; human

and institutional capacity development; value addition and economic linkages; and mineral sector governance

The private sector

The private sector, both domestic and foreign, is a key partner in achieving the goals of the AMV. African mining is, as a matter of fact, dominated by private sector investment. South African based mining companies are the largest investors in their domestic market, albeit with considerable equity participation from international investors. While traditionally, EU companies were the largest investors in African mining, their participation has reduced significantly in the last ten years, giving way to the mining companies, especially juniors, from Australia and Canada. Canadian and Australian companies now represent firms from the West with the largest pan-African mining footprint. The private sector is expected to support the implementation of the AMV through investment in mining and infrastructure projects.

Bilateral Development partners

These comprise primarily Government to Government cooperating arrangements that support or facilitate mining investment from either private or public companies. Such facilitation has seen, for example, use of sovereign wealth funds to purchase equity through national investment guarantee agencies. Canadian companies receive a fair amount of government support in facilitating investment. Australian companies, on the other hand, have not received as much support but this is increasing. Both Canada and Australia Governments are active in capacity building initiatives and the provision of social infrastructure aid.

China has in the last ten years emerged as a major investor in mining in Africa with active and structured support from its government in facilitating investment at levels much higher than from western sources. China's approach has involved large budget infrastructure projects, particularly in hydro electric dams and transport (road, rail and ports) in return for mineral resources. These resources for infrastructure (R4I) contracts combine mining contracts and infrastructure projects to offer FDI benefits greater than provided by either FDI source acting separately. They therefore offer tremendous possibilities for developing large natural resources development corridors under the AMV. Thus, some of the aspirations of the AMV including strengthening linkages, local procurement and infrastructure development and collaboration with local entrepreneurs could be included in the agreements with Chinese investors.

The United Nations System

The United Nations System can potentially offer support in implementing the AMV in a number of areas, given its variety of competencies. The UN's primary strengths lie in its neutrality to help member states in advocacy, consensus building to create African positions, and its capacity building and policy design roles. Through the UN Regional Coordination Mechanism for Africa (RCM-Africa), the United Nations framework can provide a coordinated approach in support of the implementation of the AMV.

ECA has used these attributes to create the AMV, providing capacity building e.g in contract negotiations and policy design, and assisting member States on policy harmonisation in the minerals sector. UNEP could bring resources in environment and sustainable development of the

AMV; UNCTAD in areas of diversifying mineral commodity value chains and investment, while ILO could anchor some of the work related to labour issues and human rights, as well as small scale mining. UNIDO has previously supported work on small scale mining technologies.

NGOs and CSOs

While not strictly funding organisations, NGOs and CSOs have a major role to play in building capacities for communities, playing an advocacy role to secure their interest, participating in policy making to ensure all stakeholder interest are secured and generally playing a watch dog role. For NGOs and CSOs to fully discharge these roles, however, they need to scale up their capacities quite significantly in various aspects of the mineral value chain. Nevertheless, they remain useful partners in implementing the AMV

Levels of resources required

While the various potential sources of resources to implement the plan have been identified, no effort has been made to define the levels of both financial and human resources that are required. Clearly the levels are quite high, hence the need for robust partnerships. It is proposed that a detailed scoping study is undertaken to better map activities and their requisite resource levels. It is also proposed that the round table meeting to be held during the Ministerial conference be used to confirm the interest of partners for resourcing the plan.

Monitoring the effectiveness of interventions

It is important to monitor the implementation of the Action Plan and ensure that its intended outcomes are being delivered. A viable mechanism or framework is required which integrates results from several sources and the efficiency of programme interventions in creating impact. An outcome-oriented monitoring framework, widely used in the United Nations system as well as by other development organisations, is suggested. Fundamentally, such monitoring framework is results oriented with clear and measurable indicators of expected outcomes, and clearly defined benchmarks or targets. To this end, indicators provide a meaningful way to assess progress being made and the impact created.

Preliminary outcomes and indicators for their measurement have been suggested for the plan. These, however, will need to be tightened up at the implementation stage to endure that there is a clear alignment between the interventions and the outcomes they seek to create, on the one hand, and between the indicators, their specific data requirements and the outcomes they seek to measure, on the other. This is hence work in progress.

Institutional arrangements for implementing the plan

The plan's activities are quite diversified and the range of partners broad. Implementation of the plan, and thus delivering on the AMV, is going to require the creation of a strategic coordination capacity to specifically undertake the following activities:

1. Provide technical support for the implementation of the plan's activities
2. Identify gaps and areas of need in the member States and network expertise from a broad range of sources to address such need
3. Undertake and coordinate policy research to develop policy strategies and options for realising the vision
4. Develop a continuous advocacy and information dissemination campaign including maintaining websites and discussion forums to engage various stakeholders
5. Undertake monitoring and evaluation activities and generally provide corrective action to maintain relevance of interventions to the AMV
6. Generally provide a think-tanking capacity for the AMV and all activities around the Vision.

The above coordination tasks, and indeed the wide range of activities under the plan, cannot be undertaken without a strategic coordination capacity. The Second Conference of AU Ministers Responsible for mineral resources development hence approved the establishment of an African Mineral Development Centre to fulfil this role. During a Round Table meeting held during the Conference of Ministers, a number of bilateral and multilateral development partners including the World Bank, the EU, Canada, Australia, Sweden and Finland, expressed firm support in not just funding the Centre but in participating in its activities through collaborative arrangements and technical assistance programmes. Australia has expressed the firmest interest with support for a scoping study for such a centre. Preliminary indications are therefore that such a centre will attract material support from a broad range of partners.

To broaden participation and entrench ownership, the proposed Centre will be supported by a steering committee comprising the Bureau of the Ministerial Conference, the AUC, NPCA, the RECs, the AfDB and UNECA. The steering committee will be responsible for the overall strategic direction of the centre. An advisory board will supervise the operations of the centre. Models for such a centre currently exist within ECA and these include the Africa Trade Policy Centre (ATPC) supported principally by Canada and the Africa Climate Policy Centre (ACPC), supported by several donor governments.