



## CONCEPT NOTE

### **The 5<sup>th</sup> Drafting Meeting of the Technical Working Group on the African Union Model Law on Mineral Resources Development**

African Union's Headquarters

Addis Ababa, Ethiopia

14-17 October 2024

## I. Context

The African Union Commission's Department of Economic Development, Trade, Tourism, Industry and Minerals (ETTİM) partnered with the Expertise France under the project "*French Facility for Technical Assistance to the African Union – phase III*" to finalize the drafting and validation of the African Union's Model Law on Mineral Resources Development. The authority to draft the Model Law was derived from the Decision **Assembly/AU/Dec.605 (XXVII)** on the outcomes of the retreat of the Assembly of the Heads of State and Government of the African Union that was held in July 2016, in Rwanda.

The Assembly requested the African Union Commission (AUC) to undertake a study on the management of African mineral resources, with a particular focus on optimizing revenue through the harmonization of royalties and fiscal regimes. And further, build on the study in order to develop a model law that will provide guidance to the Member States in reviewing their royalties and fiscal regimes. The Assembly further requested the Commission to undertake a study on the management of natural resources in Africa, including value addition to raw minerals.

The proper management of natural resources through an effective fiscal regime and sound public financial management will set African countries on course for sustainable development and prosperity. A harmonized mining laws can additionally be used to achieve other goals such as environmental protection, achieving the Sustainable Development Goals and giving incentives to keep value-added activities in the country thereby moving the country and its economic actors up the global minerals' value chain.

Consequently, the AUC organized the first drafting meeting in September 2017, in Abidjan, Côte D'Ivoire. The experts agreed that the decision was narrow as it emphasized fiscal aspects only. It was further discussed in Port Luis, Mauritius at the second drafting meeting. These efforts were followed by the third consultative meeting that was held in June 2018, in Accra, Ghana. The experts further recommended the inclusion of legal, institutional rules and procedures for incorporation into the text of the Model Law on Mineral Resources Development. The expert further recommended the draft Model Law to address the challenges of value addition across the entire value chains as provided in the Africa Mining Vision and African Union Commodity Strategy, a flagship project of Agenda 2063. This was viewed would enable the AU Member States to harmonize their mining laws/codes, enable information sharing and promote the acquisition, ownership and management of geological data.

The Model Law is expected to provide African governments with specific guidance on establishing and attaining regional standards to increase domestic revenue generation. The importance of creating and adopting model mining legislation in Africa is to ensure that international investors and mining companies cannot establish terms that are disadvantageous to the country in question. The Model Law also proposes a strong

institutional framework for the regulation and management of the exploitation of mineral resources in Africa.

The most recent 4<sup>th</sup> consultative meeting was held in November 2021, in Nairobi, Kenya. The experts had made significant progress in refining the draft Model Law but was not able to finalize it due to the magnitude of the work that still has to be done. The experts proposed the organization of other consultative and drafting workshops to finalize the Model Law and make it ready for presentation to the African Union's Specialized Technical Committee (STC) on Trade, Tourism, Industry and Minerals (TTIM) and AU STC on Justice and Legal Affairs.

As a result, the AUC's Department of Economic Development, Trade, Tourism, Industry and Minerals (ETTIM) partnered with the Expertise France and recruited a senior short-term consultant to review and finalize the draft Model Law on Mineral Resources Development. And further organize consultative/validation workshops that brings together the Members of African Technical Working Group (TWG), relevant African Union Policy organs, AU Member States related institutions, Regional Economic Communities and African minerals industry's stakeholders.

## **II. Objective**

The main objective of the 5<sup>th</sup> drafting meeting is to review and finalize the drafting of the revised AU Model Law on Mineral Resources Development by the African Technical Working Group.

## **III. Outcome**

- The meeting shall produce the first draft of the Model Law on Mineral Resources Development for further consultations and validations by relevant stakeholders including AU Member States and RECs.

## **IV. Participants**

The drafting meeting will bring together the experts and members of the Technical Working Group, think-tanks, African Legal Support Facility and other representatives of the AU Strategic partners.

## **V. Organizers**

The African Union Commission and Expertise France.

## **VI. Dates & Venue**

The 5<sup>th</sup> drafting meeting will be held from **14-17 October 2024**, at AU Headquarters in Addis Ababa, Ethiopia.

## **Agenda (Zero Draft)**

### **Day One: Monday, October 14, 2024**

- Openings (AUC & Expertise France)
- Setting the stage (presentation from the AUC & consultant)
- Presenting the draft to all stakeholders
- AUC Office of the Legal Counsel overview about the process.
- Drafting meeting with the Technical Working Group (TWG)

### **Day Two: Tuesday, October 15, 2024**

- Recap of day one
- Drafting meetings with the TWG

### **Day Three: Wednesday, October 16, 2024**

- Recap of day two
- Drafting meetings with the TWG

### **Day Four: Thursday, October 17, 2024**

- Presenting the First Draft of the Model Law on Mineral Resources Development
- Stakeholders (Q&A session – AUC/Expertise France)
- Reflection from the AUC & the Experts
- Closing remarks