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Press Release

African Union Commission calls for a strong Public-Private Collaboration in the Mineral Resources Sector for the attainment of the African Continental Free Trade Area (AfCFTA)



Cape Town, South Africa – 08 February 2019 – The Department of Trade and Industry of the African Union Commission participated in the Mining Indaba 2019 from 4-7 February 2018 in Cape Town. Mining Indaba is the world's largest mining investment conference and trade show, the world's third largest mining conference, and Africa's largest mining event. The African Union Commission (AUC) jointly with the African Minerals Development Centre (AMDC) and African Union Leadership Academy (AULA) and in partnership with Association of Chambers of Mines and other Mining Associations

in Africa (ACMMAA) participated and organized side events including the 7th Ministerial Symposium and a Technical Session under the theme “Public Private Collaboration and Responsible Investment in Africa’s Mineral Resources Sector”. There was also an AUC/AMDC booth in the Exhibition Hall where AUC/AMDC and AULA displayed the works of AUC especially concerning Agenda 2063, Africa Mining Vision Accelerated Industrial Development for Africa and AfCFTA.

The African Union Commission’s presence at Mining Indaba has been a priority in recent years, and provides an opportunity to connect with leaders in the Mineral resources sector and provides a platform for a high level public- private dialogue while encouraging continent-wide developmental growth through mineral resources. Adopted by African Union (AU) Heads of States and Governments in 2009, the Africa Mining Vision calls for a structural transformation of the minerals sector in Africa through enhanced linkages with the local economy, increased value addition, promotion of local content and empowerment of Artisanal and Small Scale Miners, and a well governed sector to ensure optimization of value among the value chains and to avert illicit financial flows that are depriving Africa of over \$100 annually more that Africa receives in ODA.

The Africa Mining Vision serves as a blueprint for a transparent, equitable and optimal exploitation of African mineral resources, including liquid, solid and gas minerals, for a broad-based, socio-economic development of the continent.

Prior to the start of the Mining Indaba 2019, the African Union Commission, together with ACMMAA and AULA, hosted the sixth Annual African Ministerial Symposium on Sunday 3 February as part of the Africa Mining Vision (AMV) Day. As Keynote Speaker, the Commissioner for Trade and Industry of the African Union Commission, H.E. Amb. Albert Muchanga, invited Mining Companies to closely monitor developments in the establishment of the African Continental Free Trade Area (AfCFTA) which will be launched in July in Niamey, Niger. He indicated that it will be a market of 1.27 billion people offering large economies of scale, and with them, enormous opportunities for long-term and large scale investment. According to him, Africa has to meet some key challenges; among others, the challenge of reducing over dependence on mining as is the case now in many African countries. Another key challenge, he said, is to ensure that the people and countries of Africa fully benefit from their natural resources, including mining. Commissioner Muchanga emphasized that the most critical challenge is environmental sustainability of mining operations as environmental threats always seem so far into the future, humanity has conveniently shifted the burden of securing environmental sustainability to future generations. He informed the symposium that the African Union has created the African Minerals Development Centre (AMDC) to be transferred to the Republic of Guinea as a Specialized Agency to coordinate implementation of the African Mining Vision. The Commissioner made a decision to have an MoU between AUC and ACMMAA to be signed during the Ministerial Symposium in 2020. The Commission made this decision while reiterating a need for a strong collaboration between the Public and Private Sector in order to demystify the resource

curse paradox and take advantage of the wide market and industrial base that will be provided by the AfCFTA to ensure that mineral resources contribute to social and economic transformation through regional value chains.

The Commissioner reiterated later on 5 February during a Special Session of Mining Indaba, that the Africa Mining Vision is a shared responsibility whose implementation requires the collaboration of many actors, including private sector, civil society, parliaments, funding partners and governments. He outlined some of the African Union programme activities including the Geological and Mineral Information Systems Strategy (GMIS), the African Minerals Governance Framework (AMGF) and the AMV Private Sector Compact aiming at building transparency, mutual accountability and mutual trust between the public and private sectors vis-a-vis mining. Before he concluded his keynote speech, the Commissioner underscored the fact that the private sector has the responsibility to come up with investments that generate benefits to shareholders, national governments, communities and workers; among other mining stakeholders. He specified that once a memorandum of understanding is concluded between AUC and ACMMAA, there will be a channel for continuous and genuine dialogue between AUC and the Mining Private Sector.

In her Statement, the African Union Leadership Academy (AULA) Manager, Dr. Muna Abdalla pointed out that some of the challenges to manufacturing-led development in the continent include poor governance, non-transparency and lack of enabling environment. She indicated that a Culture of Social Responsibility (CSR) and ethical leadership can help both building of collaboration with stakeholders and boost market value while contributing to the wider societal good as well as improve their reputation and minimize risks. She concluded by emphasizing the role of leadership in mining sector. “Leadership in mining industry is in the best position to influence CSR strategies and projects and deepening partnership and trust with all stakeholders”, she mentioned.

On the margins of the Mining Indaba 2019, Commissioner Muchanga also engaged with African Ministers responsible for Minerals Resource Development, and Private Sector Leaders including Chief Executives operating in the Minerals Sector and Chambers of Mines.



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