

Officials to deliberate a business plan to implement the African Mining Vision

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Addis Ababa, 08 October 2012 (ECA) -

The joint partnership of the African Union Commission, the Economic Commission for Africa and the African Development Bank has hailed today's meeting of the Bureau of the Second Conference of AU Ministers Responsible for Mineral Resources Development as "an important milestone in implementing the [Africa Mining Vision](#)." Convened by the Ethiopian Minister of Mines, Sinkinesh Ejigu, in her capacity as Chair of the Bureau of Ministers responsible for Mines, the 8-9 meeting aims to discuss a Business Plan aimed at establishing the African Minerals Development Centre (AMDC), according to Stephen Karingi, Director, [Regional Integration and Trade Division](#), ECA.

"We are all only too aware that despite Africa's rich natural endowment, these assets have not brought development and the continent continues to struggle with poverty and serious development deficits," said Mr. Karingi.

He informed the meeting that during the recent - and continuing commodities price boom - Africa's share of the windfall earnings from its mineral resources have been miniscule, compared to what the mining companies have realised. "For instance, in 2010, average net profits for the top 40 mining companies grew by 156% in one year alone," he said.

The [African Mining Vision \(AMV\)](#) was endorsed by Heads of State and Government in February 2009 with the aim of bringing equity and fairness to the mineral sector "so that these vital resources are used for Africa's economic and social transformation."

"Africa's mineral sector lacks any meaningful economic and social linkages to our national economies and the mining regimes remain narrowly focused on the export of strategic minerals to industrialized countries to earn valuable foreign exchange at the expense of our own development.

In addition, the mineral development agreements signed with mining companies provide far greater benefits to them than to African governments and people," said Karingi,

Yet, said Karingi, "these agreements, as much as they harm our economies, remain mired in secrecy due to a lack of transparency in the manner we govern the mineral sector." Furthermore, communities and other stakeholders, such as academic think tanks and CSOs, continue to be marginalized and excluded from decision making in the sector.

"We believe that implementing the [AMV](#) is a shared responsibility and we see the Business Plan and the activities of the proposed AMDC as collectively owned by the stakeholders with AU exercising strong leadership over the implementation of the AMV," he said and added: "After all, the Vision belongs to the continent through our Heads of State collectively,"

The Business Plan will be reviewed by senior officials this week and recommended to the Bureau of Ministers. The recommendations will be brought to the full meeting of Ministers to be held towards the end of 2013. If implemented, the Business Plan is expected to help transform Africa's minerals sector for Africa's development. Karingi underscored the need to maintain momentum towards the establishment of the AMDC, which has generated many indications of support from partners. AusAID recently announced a minimum pledge of \$5 million towards the AMDC, while Canadian CIDA and the Foreign Ministry in Sweden are considering providing financial support.

Background:

Under the leadership of the AUC, the ECA worked that worked with the AU member States to develop the [African Mining Vision](#). Subsequently, an International Study Group was formed to explore - in substantial detail - how Africa's mineral regimes could be reformed to support a more broad stream development paradigm for the continent. The report of the ISG laid the foundation for the Action Plan, which had been called for by the Heads of State and Government in 2009 when they approved the AMV. This too was approved by the Second AU Conference of Ministers Responsible for Mineral Resources Development in December 2011. The December Conference of Ministers also asked AUC and ECA for the establishment of an African Minerals Development Centre that would provide technical support to the AU for the implementation of the AMV and its Action Plan. The Business Plan was developed by the ECA, the AUC, the AfDB; the Joint AUC, AfDB, ECA Support Office; development partners, in particular, Australia and Canada, with input from the member States, Civil Society Organizations and the private sector.

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