

# Implementation of the AMV: How will this ensure Africa's socio – economic transformation?

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# AFRICA'S MINERAL RESOURCES POTENTIAL

- Africa is rich in mineral resources potential
- Top producer of many mineral commodities & has got the world's greatest reserves of many more
- Africa accounts for about 11 & 45% of the world's supply of major major minerals
- Cobalt , chromite , manganese, aluminum, gold, diamond, vanadium, phosphate and Platinum Group Metals

# AFRICA'S MINERAL RESOURCES POTENTIAL CON'T

- Mineral exports contributes between 25 & 90% of annual export earnings for 13 countries
- Botswana, South Africa, Ghana, Guinea, Liberia, Sierra Leone, Zambia, Zimbabwe, Namibia, Niger, Central Africa Republic and DRC
- **Minerals offers a comparative rather than a competitive advantage**

# Problems within the mining sector

- Lack of transparency and accountability
- Marginalisation of communities and CSOs
- Lack of Value Addition and Beneficiation
- Lack of geological information
- Poorly negotiated contracts
- Lack of recognition and formalisation of the ASM

# Problems within Africa's mining sector

- Lack of provisions for fair and adequate compensations
- Lack of linkages
- Environmental degradation [ Violation of communities' EESCR]
- Over accommodating Fiscal Regimes – RACE TO THE BOTTOM
- NATURAL RESOURCES CURSE / POOR MINERAL RESOURCES GOVERNANCE

# WHY THE AMV CONT'

- ***Transparent , equitable and optimal exploitation of mineral resources to underpin broad-based sustainable growth and socio-economic development”***
- The vision signals official recognition that the paradigm offered by the WB and its allies which have driven Africa’s Strategy in minerals development has to radically change

# WHY THE AMV

- Transform minerals into sustainable and greater value
- Subordinates FDI to transformative agenda
- Minimise/ prevents negative environmental and social impacts
- Enhance democratic and accountable governance of resources
- Enhance local livelihoods by minimising environmental degradation
- Distribute benefits equitably

# WHY THE AMV cont'

- **Transparency** – holistic manner through the value chain
- **Optimality** – best options and outcomes
- **Equity** – participation/ consultative and benefit sharing
- **Sustainable growth and socio-economic development**

Overall the Vision seeks to intergrate the exploitation of mineral resources into socio – economic development processes through linkages



# Why the AMV

- Development of a knowledge economy – transform mineral resources into other forms of capital
- Diversification of the African economies through linkages
- Strengthening of Governance – public participation, transparency, accountability,
- Equity in distribution of benefits
- Efficient fiscal regimes

# Why the AMV

- Harnessing of Artisanal and Small Scale Mining – recognise and integrate sector to improve rural livelihoods
- Building Human and Institutional Capacities – policy development and implementation
- Optimising knowledge and benefits – knowledge of the resource base , quantum of minerals as a basis for policy decisions
- Competitive licencing procedures – competitive bidding VS First come first served

# Why the AMV

- Collection of Optimal Resource Rents – effective collection and investment
- Research and development
- Linkages, Beneficiation and Value Addition – Zimbabwe Agenda for Sustainable Socio Economic Transformation ( ZIMASSET)

- AMV is indeed a Game Changer
- CSOs must read and understand the AMV
- Will result in Africa's transformation