



**2022 Alternative Mining Indaba
Concept Note**

A just energy transition for sustainable mining communities in a climate crisis era.

**09th - 12th May 2022
Hybrid Event**

Background/Introduction

The 'resource curse' is often used to describe the reality of the disconnect between Africa's mineral wealth and the persistent chronic generational poverty of people living and working within and reliant on mining and the Extractive Industries (EI). Whilst high levels of poverty and inequality levels persist for a large proportion of the continent, powerful multinational companies (MNCs) continue the colonial enterprise of extracting mineral wealth to accumulate profits – which are then channeled towards development in their countries of origin or amassed directly by private shareholder wealth. African governments have equally played their part in exacerbating poverty and inequality levels through the mismanagement of the EI sector as well as the revenue generated from it.

Studies project that by 2050, 86% of the world's 'extreme poor' will live in Sub-Saharan Africa and that youth population will increase by 50%. That is; most of the economically poor will be between 0-24 years old. Data from UN Women also forecasts that in Sub-Saharan Africa, where the majority of the world's poorest live, the number of women and girls living in extremely poor households is expected to increase from 249 million to 283 million between 2021 and 2030. In this context, what remains indisputable is that multinational companies will continue to externalize profits while internalizing environmental costs. The modus operandi of MNCs in most African countries is the same as their leverage off cheap labor to make huge profits on the traditional homelands where communities are forcibly removed, evicted and relocated. The loss of ancestral, agricultural and grazing land destroys livelihoods, endangers food security, and erodes systems that support social cohesion. Extractive industries activities generate soil erosion, water scarcity, compromised land and aquatic ecosystems; accelerated desertification, the silting of rivers, and unparalleled pollution of both water and air. Overall, the human and ecological costs of these extractive projects are often complex and deadly

Although mining laws have been developed both nationally and regionally to governance the sector and some MNCs have adopted voluntary business and human rights' protocols; compliance, authentic engagement, and accountability remain major challenges. Contrary to the international financial institution rhetoric that large scale-mining projects create jobs, unemployment figures in the sector have escalated, exacerbated by the COVID-19 pandemic and in some African countries by natural disasters such as floods, droughts and cyclones. Socio-economic and political development have been sacrificed for corporate profits and mining-affected communities have become poorer and left worse off, especially after mine closures. Several factors have exacerbated this problem. These include inadequate policies, laws and institutions to effectively govern the

extractive sector; poor implementation of fiscal policies and revenue management legal provisions as well as the failure to sustainably integrate the extractive industries into local economies through local content processes.

Another key challenge over the years has also been the increased aggressive tax planning practices by MNCs. Africa loses more through illicit financial flows than it gains in Foreign Direct Investment and Official Development Assistance. The 2020 United Nations Conference on Trade and Development (UNCTAD) report on illicit financial flows (IFFs) out of Africa; finds that IFFs linked to the export of primary extractive resources were estimated to be as high as US\$40 billion in 2015 and US\$278 billion in 2020. The recently published 2021 International Monetary Fund Report on 'Tax Avoidance in Sub Saharan Africa's Mining Sector' indicates that African countries are losing between USD470 million and USD730 million per year in corporate income tax avoidance by multinationals. Tax avoidance and IFFs undermine the ability of Africa's resource-rich countries to collect sufficient tax revenue to finance the continents' development, and more especially the mine host communities that often bear the negative impacts of extractive projects.

The negative legacies of the extractive industries remain and reproduce communities whose workers and families are subject to a varied complex challenge such as long-term health and safety issues, food security due to loss of fertile soils, gross environmental degradation; and the proliferation of informal mining activities that pose securities risks. Relationships between mining companies, governments and affected communities are often contested, hostile, and confrontational (even violent). Further, when communities do receive benefits, they are often insufficient, unsuitable or taken away by the patriarchal traditional leadership structures which often exclude women and girls.

It is against this backdrop that for over a decade, the Alternative Mining Indaba (AMI) has annually brought together diverse stakeholders for a conference that debates and discusses various issues, as well as served as an empowerment space through the capacity building of communities. The AMI is a culmination of decentralized national processes that take place in more than 12 Southern and East African countries. These national level processes take place at the village, district and provincial levels reaching about 6000 participants directly and cascading to an additional 8000 people indirectly through advocacy and campaign activities. The AMI spaces are convened to coincide and counter the industry conference, the Mining Indaba, and seminars, to challenge natural resource governance policies and practices on the ground, while allowing ordinary communities, faith leaders, non-state actors and civil society to interact with mining corporates, policy makers and technocrats.

The objective of the AMI is to provide a safe space for dialogue and engagement for mining affected communities, civil society organizations and non-state actors, to learn, share, exchange information and build solidarity between and amongst each other for solutions to address the plight of communities living in mining affected areas. The AMI is also a platform to bridge the accountability gap between rights' holders and duty bearers such as policy makers, government technocrats, national authorities, mining companies to address the violation of human rights by multinational corporations in the EI sector. AMI also advocates for equity and fair distribution of profits derived from Africa's natural resources. Led by faith leaders, AMI is guided by the principle of inclusivity to capacitate and amplify the voices of mining affected communities to promote their full participation and direct involvement in the struggle for natural resource justice. It values the voices and needs of member organizations and communities as they play a pivotal role towards the achievement of these goals.

The 2022 AMI will be convened under the theme, '***A just energy transition for sustainable mining communities in a climate crisis era.***' This year's indaba will take a hybrid format with sessions being convened both physically and virtually.

AMI in the COVID-19 pandemic era

In 2021, convening the AMI in the usual fashion was a challenge given the restrictions that came with the Covid-19 pandemic. For the first time in 12 years, the conference was held virtually under the theme, “Building forward together, pivoting the extractives sector for adaptation and resilience against Covid-19.” The AMI took place at a time when the COVID-19 pandemic had resulted in the deaths of thousands of Africans, and over two million people world-wide, having ravaged communities and pushed millions into further poverty amidst exacerbating levels of socio-economic inequality to unprecedented levels. The AMI sessions and discussions reinforced previous resolutions in 2020 to transition to sustainable mining at a critical time when the African continent was faced with health development financing challenges that undermine its ability to effectively combat the pandemic. Inequalities have been further amplified across the globe, particularly for the African continent on the vaccine access front. Indeed, this pandemic has been a harsh reminder of the need for African countries to maximize domestic resource mobilization (DRM) from the extractive sector not just to effectively fight the pandemic but finance its development for a sustainable post-COVID era to achieve the 2030 agenda.

Rationale for 2022 AMI Theme

The need for urgent climate action has put the energy transition discourse at center stage globally. The energy transition refers to the global energy shift from fossil-based systems of energy production and consumption including natural gas and coal to renewable energy sources like wind and solar as well as Lithium-ion batteries. Several studies have shown that over 80% of the world’s energy is produced by burning coal, oil and gas. Fossil fuels release billions of tons of carbon dioxide and are the biggest driver of climate change. The energy transition is a reality that has increasingly become a global imperative as the climate crisis deepens, with both challenges and opportunities presented for African countries. The energy transition to a low carbon economy has reshaped the mining, oil and gas sectors as governments and companies have set the issue on their main agendas. The advent of the Covid-19 pandemic accelerated the energy transition as the lower oil demand resulted in declining prices giving a glimpse of what is to come as the climate crisis deepens.

While the energy transition is a global phenomenon, the reality is that implementation may differ in timing and process across different countries, especially between Africa and the West. The energy transition connotes that those countries already have access to energy and only need to change the energy sources to cleaner ones. However, the reality in most developing countries in Africa is that achieving national energy coverage for domestic use and industrial activity remains a key challenge. To address this energy deficit, several African countries have in recent years intensified their oil and gas exploration activities presenting opportunities for future revenue streams for financing the continent’s development. These prospects have, however, come under threat as countries dependent on oil and gas must adapt to alternative revenue sources given the urgent need to transition to cleaner energy sources. Additionally, an important issue that remains unclear and vaguely defined is what a ‘just transition’ will mean for African countries and more specifically, mining communities. Defining what a ‘just transition’ means and analyzing the costs for Africa’s development in especially oil and gas producing countries will be key given that the energy transition across different countries and communities will occur differently due to varying contextual factors.

Conversely, there are countries that stand to benefit from the energy transition if the right policies and laws on taxation, local content and value addition are adequately formulated and implemented. As the world moves fast to address the climate crisis and shifts away from fossil fuels, certain minerals identified as strategic including copper, iron, aluminum, cobalt are essential to build technologies that are needed for the energy transition to happen. As such, mineral-rich countries stand a chance to benefit from the growth in demand for the minerals that are required to develop wind, solar and electric vehicle technologies. These opportunities, however, have risks associated with environmental and social challenges which could potentially worsened the plight of mining communities if not well managed. For example, the increased use of scarce water resources

due to the heightened demand of these minerals does not create conflict between mining companies and the host communities, thereby, further exacerbating the already existing social, economic and environmental degradation challenges in mine host communities. In such scenarios, evidence shows that it's the women and girls that bear the largest brunt in comparison to men and boys.

This year's AMI seeks to address the just energy transition from an African perspective, to provide solidarity and support to mining communities who will be most affected by the increased extractive activities. Our goal is to create a dialogue and capacity building space for mining communities, (especially vulnerable groups like women and girls) to ensure that policy and practice prioritizes people and the environment over profitmaking. Through AMI, we are democratizing the 'just transition' discourse with communities accessing information to understand and actively contribute to shaping the resource justice narrative themselves. We believe that the energy transition in Africa's resource-rich countries can only be 'just' if the discussions, discourse and shaping of the overall narrative is centered on the lived realities of mining communities.

It's on this premise that the 2022 AMI is being held under the theme 'A just energy transition for sustainable mining communities in a climate crisis era. This theme builds on the foundation laid at the 2020 AMI which sought to unpack the challenges of Africa's resource rich countries in the context of climate change. In looking ahead for solutions, this year's AMI seeks to explore sustainable options for a just energy transition in especially Africa's mining communities. Furthermore, this year's theme strategically positions the AMI to generate clear policy advocacy 'asks' ahead of the upcoming COP27 which is scheduled to take place in Egypt later this year.

This theme will be explored from the following different aspects among others:

- Defining what a just transition means for Africa's mining communities
- Fiscal justice, Domestic Resource Mobilization and Climate Change financing
- Revenue management and sharing for sustainable mining communities
- Managing climate change and environmental degradation
- Local participation, investment and diversification for sustainable mining
- Mitigating socio-economic inequalities for a just transition

The AMI theme and session topics align with the aspirations of the Africa Mining Vision (AMV), which seeks to ensure a transparent, equitable and optimal exploitation of mineral resources to underpin broad-based sustainable growth and socio-economic development for current and future generations in Africa.

Overall goal of AMI 2022

The overall goal of the AMI is to facilitate an engaged African citizenry that uses its voice and agency to demand policy reforms, transparency and accountability and responsible supply chains in the mining sector for the benefit of current and future generations. The AMI seeks to provide mining affected communities from the African continent with a safe space to dialogue and seek solutions to their concerns on the extractive sector. The 2022 AMI through dialogue and capacity building sessions will focus on better understanding the opportunities and challenges associated with climate change and what a just energy transition means within Africa's mining communities.

Specific objectives

The 2022 AMI will seek to achieve the following three specific objectives:

- Providing communities and non-state actors with a safe space for dialogue and engagement with national governments and extractive industry players on key concerns of affected communities
- Capacity build communities and non-state actors on key concepts and issues related to the energy transition and the extractive industries in Africa
- Seek and generate solutions towards building more sustainable mining communities post Covid-19 supported by a Just energy transition

Expected Outcomes

- Mining-affected and impacted communities alongside non-state actors are consulted and informed about climate change, the energy transition and what it means for their livelihoods
- AMI has incorporated recommendations and what it means for policy makers, oil, gas and mining corporates and communities to realize a Just Energy Transition
- Policy makers commit to demonstrate political will and support on ensuring policy preparedness for climate change mitigation and a just transition
- Oil, gas and mining companies commit to supporting communities to sustainably actualize a just energy transition as well as reduce the negative impacts of climate change
- AMI advocacy message reflects discussions and way forward on ensuring a just transition for policy influencing and advocacy at regional and continental platforms

Expected Outputs

- Clear strategies and action plans on how to ensure a just transition that is beneficial for oil, gas and mining host communities
- Policy recommendations provided to African governments on different related aspects for the actualization of a Just Energy Transition in mining communities
- Corporate demands made to extractive industry players on commitments for the actualization of a Just Energy Transition in mining communities
- Advocacy strategies formulated by Civil Society on impacts of climate change and a just energy transition in mining communities
- Clear demands developed on Civil Society Organization 'asks' in the build up to the COP 27

Expected Participants

Given that this year's AMI will be a hybrid event, the expectation is for the participation of at least 500 participants consisting of FBOs, NGOs, CBOs, academics, journalists, youth, women and environmental and NRG practitioners from at least 30 countries, consisting of:

- Representatives from the steering committee
- Members of Parliament and other key Official Stakeholders
- Private sector representatives
- Representatives of directly affected communities
- Representatives of NGOs
- Faith based organizations and leaders.