

AFRICAN UNION

الاتحاد الأفريقي



UNION AFRICAINE

UNIÃO AFRICANA

Addis Ababa, ETHIOPIA P. O. Box 3243 Telephone 517 700 Fax: +251-1-517844

**AU CONFERENCE OF MINISTERS RESPONSIBLE
FOR MINERAL RESOURCES DEVELOPMENT
1ST ORDINARY SESSION**

**13-17 OCTOBER 2008
ADDIS ABABA, ETHIOPIA**

**AU/MIN/ CAMMRD /4(I)
ORIGINAL: ENGLISH**

**ADDIS ABABA DECLARATION ON DEVELOPMENT AND MANAGEMENT OF
AFRICA'S MINERAL RESOURCES**

Adopted by the

**THE FIRST AFRICAN UNION CONFERENCE OF MINISTERS RESPONSIBLE
FOR MINERAL RESOURCES DEVELOPMENT**

**ADDIS ABABA DECLARATION ON DEVELOPMENT AND MANAGEMENT OF
AFRICA'S MINERAL RESOURCES**

Adopted by the

**THE FIRST AFRICAN UNION CONFERENCE OF MINISTERS RESPONSIBLE
FOR MINERAL RESOURCES DEVELOPMENT**

We, the African Union Ministers Responsible for Mineral Resources Development, meeting in Addis Ababa, Ethiopia on 16 and 17 October 2008 during the First Session of our Conference,

Deeply concerned about the high incidence of poverty and underdevelopment in Africa in spite of its abundant endowment of mineral resources;

Aware of the significant contributions that prudent and efficient development and management of our mineral resources can make towards the achievement of the Millennium Development Goals (MDGs) and meeting the challenges of poverty eradication and broad-based socio-economic development in our countries;

Also aware that much of Africa's mineral resources remain under-explored and under-exploited and that geoscience knowledge is at a relatively too low level to attract exploration and investment;

Considering the Yaounde Vision on Artisanal Small-scale Mining (ASM) activities in Africa, adopted in Yaounde in November 2002, which underlines the importance of these activities in the development of rural communities and in poverty reduction;

Convinced that Africa needs policy space, and **Recognizing** in this regard, the importance of a pro-active development state to achieve fair and equitable fiscal and investment regimes and to maximize the benefits derivable from mineral resources exploitation;

Aware of the establishment by UNECA of the International Study Group (ISG) to review Africa's Mining Regimes;

Conscious that the African Development Bank (AfDB) has established the African Legal Support Facility (ALSF) to enhance the capacity of African Member States to negotiate complex commercial transactions including mining contracts;

Determined to avoid the "Dutch Disease" in the management of Africa's mineral resources and to ensure that mineral resources become a blessing and not a curse for our countries and peoples;

Aware that minerals are finite resources, the exploitation of which cannot last forever and must be prudently utilized for the benefit of present and future generations;

Taking account of the increasing competition and demand for Africa's mineral resources in the new geopolitical and economic era;

Taking note of the “ Draft Africa Mining Vision 2050” formulated by the Technical Task Force that was established jointly by the AUC and UNECA;

Also taking note of the existence of the Africa Mining Partnership (AMP) and its proposed affiliation to the AU, and other regional, continental and global initiatives aimed at maximizing the development outcomes of mineral resources exploitation;

Having regard to the Durban Declaration on Sub-regional and Regional Cooperation for the Development and Efficient Utilization of Energy and Mineral Resources in Africa adopted in Durban, South Africa on 22 November 1997 by the Second Conference of African Ministers Responsible for the Development and Utilization of Mineral and Energy Resources in Africa organized by UNECA;

Hereby:

REQUEST the AUC, in collaboration with UNECA, AfDB, AMP, the RECs and all other stakeholders, to formulate, taking into account the recommendations made by the Experts Meeting, a concrete Action Plan for the realization of the Vision after its adoption;

RE-AFFIRM our commitment to prudent, transparent and efficient development and management of Africa’s mineral resources to meet the MDGs, eradicate poverty, and achieve rapid and broad-based sustainable socio-economic development;

CALL ON AU Member States to work together to ensure that international agreements that they enter into enhance rather than undermine Africa’s policy space for integrating mineral resources development into their economies and in this regard, **URGE** them and the Regional Economic Communities (RECs) to ensure that the ongoing Economic Partnership Agreements (EPA) and World Trade Organisation (WTO) negotiations do not limit this space;

UNDERScore the need for greater local beneficiation and value addition of Africa’s mineral resources and the enhancement of its industrial base through mineral sector upstream, downstream and side stream linkages;

AGREE to promote investment in mineral resources human skills development, research and development, geological, and geophysical data infrastructure;

ALSO AGREE to harness the potentials of Public Private Partnerships (PPPs) in the development and management of mineral resources;

WELCOME the various geomineral information system initiatives in Africa, including the African European Georesources Observation System (AEGOS);

ENDORSE the establishment of an African Spatial Development Programme and the creation of a network of key development corridors across Africa to realize the continent's resources and their associated potentials;

UNDERTAKE to improve our mineral resource policies, legal, regulatory and administrative frameworks and enhance the capacity for auditing, monitoring, regulating and improving mineral resource exploitation regimes; and for developing the linkages of the mineral sector with the domestic economy;

REQUEST the AU Commission in collaboration with UNECA, AMP and the RECs to develop templates, guidelines, standards and codes to assist African countries to optimize the potential benefits of their mineral resources, building on the work of the International Study Group (ISG);

CALL ON the AfDB to operationalize the ALSF to strengthen the capacity of African member States to negotiate better mineral contracts;

ALSO CALL on the AU Commission and the AfDB to facilitate the establishment of local capital markets and commodity exchanges with a view to enhancing local participation in mining ventures;

URGE African mineral producing countries to facilitate the establishment of specialized mineral producers associations with a view to strengthening the continent's bargaining power;

STRESS that improvement in the governance of mineral resources is critical to maximizing sustainable investment and development outcomes in the mineral sector;

CALL ON the (African Peer Review Mechanism (APRM)) Secretariat to include in the forthcoming country reviews a chapter on natural resources governance;

SUPPORT the establishment of national oversight bodies and independent committees to monitor mining projects;

CALL ON Member States of the African Union to mainstream governance best practices such as the Extractive Industry Transparency Initiative (EITI) into their respective policies, laws, regulations, codes and standards and **ON** development partners to make significant contributions to the Multi-Donor Trust Fund (MDTF) for the EITI established by the World Bank;

ALSO CALL ON AU Member States to establish appropriate inclusive institutional frameworks comprising of Ministries of Natural Resources, Infrastructure, Industry, Trade and other stakeholders to ensure optimisation of mineral resources management for broad-based development;

WELCOME the subscription of some diamond producing Member States of the African Union to the Kimberly Process Certification Scheme and **URGE** other African diamond producing countries to do so;

ALSO WELCOME the launching of the EITI ++ by the World Bank to address upstream and downstream issues such as licensing, procurement, ownership, and sustainable development and **CALL** for its urgent operationalization;

CALL ON the mining companies operating in Africa to adopt good corporate governance and adhere to the Sustainable Development Charter of the International Council on Mining and Metals (ICMM) and to the Global Reporting Initiative (GRI);

REQUEST the AUC to engage the EC in policy dialogue for the purpose of developing a ring-fenced capacity-building instrument in the forthcoming EU policy on minerals;.

FURTHER REQUEST the AU Commission, in collaboration with the UNECA, AfDB and other relevant partners, to assist AU Member States in their auditing, review and renegotiation of existing mining agreements;

CALL ON Africa's Development Partners to enhance their support for the building of physical and resource knowledge infrastructure and for the strengthening of the institutional, human, and technical capacities needed to develop the continent's mineral resources potentials;

AGREE to cooperate at regional and sub-regional levels on the development of mineral and human resources;

ALSO AGREE ON the urgent need to accelerate intra-regional harmonization of laws, regulations and fiscal regimes to create intra-regional synergies and promote intra-regional mobility of goods, services and capital for the development of the mineral sector and **REQUEST** the AUC, in collaboration with RECs, UNECA, and the AfDB to take action in this regard;

CALL ON the mining companies operating in Africa to adopt a more holistic corporate social responsibility approach that pays as much attention to intergenerational equity, environmental and materials stewardship, human rights, gender dimensions, social and economic choice, cultural heritage and to the uplifting and empowerment of local communities as it does to financial success.

Addis Ababa, 17 October 2008