

# 1st ECOWAS mining & petroleum indaba re-invokes spirit of Africa Mining Vision

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The first Economic Community of West Africa States (ECOWAS) Mining and Petroleum Forum and Exhibition (ECOMOF 2015) ended in Accra with a re-emphasis on the significance of implementing the Africa Mining Vision (AMV) of the African Union (AU).



Resources through Regional Co-operation.’ ECOMOF 2015 was aimed, among other things, to promote the development of the minerals and hydro-carbon potentials of member states; harmonise the legal, regulatory and taxation instruments for the extractive sector within the sub-region; and facilitate the socio-economic integration of West Africa. Fourteen ECOWAS member states were represented at ECOMOF where 20 sessions were held and over 500 participants were in attendance. But some experts de-emphasise the AMV which endorses the status quo. They argue that as the AMV accepts and maintains the present role of multinational corporations in the exploration, exploitation and production of minerals and oil and gas in Africa, the continent will continue to lose in terms of revenues.

In a statement read in his absence on his behalf, however, President John Dramani Mahama reiterated the importance of the AMV to West African countries. The President said the AMV seeks to shift mineral policies in Africa beyond the narrow focus of extracting minerals and sharing the revenues to the one that would lead to a structural transformation of Africa’s economies through an industrialisation strategy anchored on minerals and other natural resources. President Mahama noted that ECOWAS member states have crystallised their efforts into policy and guidelines such as the ECOWAS Directive on the Harmonisation of Guiding Principles in the Mining Sector and the ECOWAS Mineral Development Policy. The former was

In February 2009, African Heads of State and Government approved the AMV as a blueprint to integrate the continent’s mineral sector into its transformation agenda in order to achieve optimal gain from the exploitation of its huge mineral deposits. Functionally, the AMV is a framework for promoting mineral resource-based development and transformation in Africa that ensures transparency, accountability and equity.

The outcomes of ECOMOF 2015 include pursuing the AMV by adopting an integrated approach to the development of mining and oil and gas; underpinning the transformative role of minerals, oil and gas in the sub-regional economy; deepening transparency and improving disclosure of contracts and revenues in the mining and petroleum sectors; establishing an

ECOWAS geo-scientific entity; and providing resource-based infrastructure via public-private partnerships (PPPs). The other outcomes are adopting carrot and stick approach in sub-regional artisanal and small-scale mining; application of research and development and innovation strategies critical for improving mining; building capacity for the development of linkages in mining and petroleum across West Africa; utilising revenues from mining and petroleum to benefit all stakeholders; and ensuring integrated resource linkages and using depleting assets to underpin growth.

Held on October 6-8, the forum was organised by the Ministry of Lands and Natural Resources under the auspices of the ECOWAS Commission on the theme ‘Valorising West Africa’s Mineral and Petroleum

adopted by the ECOWAS Council of Ministers in 2009 while the latter was gazetted by the regional economic group in 2012. He said all countries in the sub-region are pursuing initiatives to enhance a holistic contribution of the mining sector to their economies.

In this regard, he added that Ghana is working closely with the African Mineral Development Centre (AMDC) to indigenise the AMV through a Country Mining Vision (CMV). “The oil and gas sector ought not to lag. It is my expectation that the plethora of policies and laws governing the oil and gas sector worldwide would afford countries in the sub-region, which are favourably endowed, the opportunity to learn from history in order to leapfrog in the area of sustainable management of our petroleum resources. The various projects being undertaken in the oil and gas sector should not only boost the sector’s production, but also enhance its contribution to the sustainable growth and development of our respective countries and the sub-region as a whole,” he said.

He said countries in the sub-region which are on dependent on minerals and hydrocarbons should leverage their potentials by adopting the key elements of good governance such as transparency, stakeholder involvement and accountability in the production and management of the oil and gas and the revenues therefrom. “The extractive sector has the potential to markedly improve its sustainable contribution if properly managed within a framework by which it is more fully integrated with the rest of the economy. It is therefore not surprising that a local content agenda has been and continues to be prosecuted vigorously by almost all natural resource-endowed countries, though with varying country-specific considerations and hopes of interventions, to optimise local ownership and employment as well as broaden and improve local participation in the benefits that accrue from the development of our extractive resources,” the President stated.

He could not reconcile the vast devastation caused to the sub-region’s environment as a result of mining with sustainable management of the ecology, stressing: “The government of Ghana is fully aware that poor mining and processing practices can cause excessive environmental degradation and pollution. The framework of legislation and regulatory structures should therefore aim at curtailing any such potential impacts by protecting

sensitive areas while demanding reclamation and rehabilitation of other impacted areas where mining activities are permitted.” He added: “Some countries have similar, more stringent or in some cases almost no standards ... at the governmental level. I trust that the subject of the evolving global socio-environmental standards will engage the attention of participants in our bid to answer the question of how to reconcile these standards across the sub-region to protect posterity and thereby promote sustainable development even as we actively develop our extractives.” Concluding, he said: “It is worth noting that mineral and petroleum resources have the capacity to contribute to sustainable development when properly managed. Therefore, as they establish the necessary legal and regulatory environment to attract investment (both local and foreign) for creating and equitably sharing the resulting benefits, it is important that governments have a long term objective, including among others, the development of skills and broad human resource capacity, technology transfer and growth of other industries necessary to catalyse broad-based growth and development on a sustainable basis, which goes beyond the mining activities as the mining activities will inevitably end with the depletion of the extractive resource.”

Remarking, Kadre Desire Ouedraogo, President of the ECOWAS Commission, said the efficient development of major mineral resources in West Africa would lead to an economic boom in the sub-region, accelerate industrialisation and create jobs. Desire Ouedraogo was optimistic that ECOMOF would be a landmark event that would assist ECOWAS to

deliver on its mandate. Mrs Fatima Haram Acyl, the AU Commissioner for Trade and Industry, said the Union was in the process of mapping all natural resources on land and sea to give member states a stronger bargaining power, adding that African states needed to collaborate to get the best out of their resources.

In a speech at the closing ceremony of ECOMOF, Dr Morlaye Bangoura, the ECOWAS Commissioner for Energy and Mines, said: “We have found the discussions to be very thought-provoking, providing insightful and practical forward-looking suggestions for consideration as we look for ways to enhance the development of the sector to optimise its benefits for the well-being of our citizenry. The Commission is equally delighted at the quality of delegations from Member States and other institutions, corporate entities and individuals who have participated in ECOMOF 2015.” Bangoura continued: “Please, allow me to reiterate that at the regional level, ECOWAS Commission aims for all Member of States to achieve optimum levels of energy security. In co-operating to harmonise policy positions and programmes for regional integration, the Community desires to have a well-organised, minimally-varied, developed geo-extractives sector and an efficient and effective energy sector.”

The second ECOMOF in 2016 should be able to build on the foundation laid by ECOMOF 2015 to be better, and attract more participants to achieve the Forum’s objectives. Whether ECOMOF 2016 will be able to do that or not will be known next year. **GB&F**

