

AFRICAN UNION

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UNION AFRICAINE

UNIÃO AFRICANA

Addis Ababa, ETHIOPIA
517844

P. O. Box 3243 Telephone 517 700 Fax: +251-1-

**AU CONFERENCE OF MINISTERS RESPONSIBLE
FOR MINERAL RESOURCES DEVELOPMENT
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ADDIS ABABA, ETHIOPIA**

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**ADDIS ABABA DECLARATION ON BUILDING A SUSTAINABLE FUTURE FOR
AFRICA'S EXTRACTIVE INDUSTRY – FROM VISION TO ACTION**

Adopted by the

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

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

We, the African Union Ministers Responsible for Mineral Resources Development, meeting at our Second Session of our Conference on 15 and 16 December 2011 in Addis Ababa, Ethiopia;

DEEPLY concerned about the continuing high incidence of poverty and underdevelopment in Africa amidst its abundant mineral resources endowment and the sustainably high mineral commodity prices since 2003;

AWARE of the significant contribution that the mining sector can make towards Africa's broad-based socio-economic development in our countries and to the achievement of the Millennium Development Goals (MDGs) and thus contributing towards eradicating poverty from the continent;

RECALLING the Africa Mining Vision (AMV) approved by our Heads of State and Government at their Assembly held in February 2009 which now forms the main framework for developing our continent's rich mineral endowment;

ALSO RECALLING the Decision (Doc EX.CL/474 (XIV)) of the 14th Ordinary Session of the Executive Council, on the development and management of Africa's mineral resources, requesting the AU Ministers in charge of Mineral resources Development to develop a concrete Action Plan for realizing the AMV;

MINDFUL of the fact that our first session held in October 2008, endorsed the recommendation of the Big Table meeting held in February 2007 on managing natural resource to establish the International Study Group (ISG), under the aegis of the United Nations Economic Commission for Africa (UNECA), to review Africa's minerals regimes, and that the ISG has now completed its work and submitted its recommendations;

TAKING NOTE that based on the work of the ISG, the Africa Mining Vision itself, the Framework of Action for the Development of the Mineral Resources Sector in ACP Member States as well as other relevant documents, an Action Plan has been formulated as directed by the AU Heads of State and government, at their meeting in February 2009;

CONVINCED that Africa needs to swiftly reform its policy space to align it to the tenets of the Africa Mining Vision and that at the centre of the Vision is a developmental state that integrates the mining sector into broader social and economic developmental processes to maximize the benefits derivable from mineral resources exploitation;

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

DETERMINED to take action while opportunities offered by high mineral commodity prices, occasioned by the increased competition and demand for Africa's mineral resources since about 2003 and which prices have not fully benefited our African mining countries in a manner befitting their generous mineral endowment;

Hereby:

RECOGNIZE the sovereign rights of AU Member States in protecting and safeguarding their natural resources from plunder and exploitation by all actors;

RE-AFFIRM our commitment to effective, 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 create the fiscal environment that enhances mineral revenue accruing to African mining countries to help finance African growth and development, by optimising tax packages without discouraging mining investment, as well as through building capacity to negotiate improved fiscal provisions, reduce tax leakages and effectively monitor compliance with taxation laws;

FURTHER CALL ON Member States to explore equity participation in mineral ventures so as to capture a greater share of benefits for the people of Africa;

UNDERScore the need for improved management and use of mineral revenue by investing windfall earnings and mineral rent into stabilization funds, infrastructure funds and/or sovereign wealth funds as well as developing rent distribution systems that allocate part of mineral revenue to improve the welfare of local communities;

UNDERTAKE to improve geo-scientific and mining information systems through improved resourcing of national geological survey institutions; upgrading of mineral inventories and geoscientific information data bases and scaling up efforts to standardize geological information management methods and approaches;

WELCOME the completion of phase one of the African European Geo-resources Observation System (AEGOS) which designed the spatial data infrastructure for Geo-resources in Africa, and further recommend that it is extended to Phase 2, to provide interoperable geoscientific data and products which are important to decision-makers, the private sector, academia, researchers and other stakeholders involved in mineral resources development;

ENCOURAGE AU Member States to implement the Natural Resource Information Exchange (NRIE) that aim to provide information on the mineral resources value chain and render visible the impact of resource exploitation on wealth creation for the host country as well as preservation of the environment.

REQUEST AU member States to scale up efforts to enhance human and institutional capacities through improved support to institutions for mineral research and development, human resources development, and those supporting mineral development in general; and to strengthen cross-country accessibility of learning programmes as well as collaboration in research and development;

ENCOURAGE AU member States to create the environment for a viable and sustainable artisanal and small scale mining sector that contributes to growth and development through improved Artisanal Mining (ASM) policies and technical, financial and business support programmes, as well as targeted capacity building support for ASM miners;

FURTHER UNDERTAKE to strengthen transparency, accountability and access to information, improve public participation and provide capacity building programmes for local communities, Civil Society Organization (CSOs) and the legislature in order to provide

effective oversight and thus create a well-governed mining sector that is inclusive and appreciated by stakeholders;

CALL ON AU Member States to create a mineral sector that is environmentally sustainable and is socially responsible through strengthened environmental and social impact assessments, developing and adopting common environmental, health and safety standards, as well as through monitoring the implementation of environmental and social funds;

URGE AU Member States to mainstream governance best practices such as the Extractive Industry Transparency Initiative (EITI) into their respective policies, laws and regulations and to this end request the African Peer Review Mechanism (APRM) Secretariat to include in future country reviews a chapter on natural resources governance.

REQUEST the concerned International Institutions to widen the operationalisation of EITI ++ to address upstream and downstream issues such as licensing, procurement, ownership, and sustainable development;

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);

ENDORSE the Action Plan as a continental tool for guiding the prudent, transparent and efficient development and management of Africa's mineral resources, as called for by the AMV, in order to meet the MDGs, eradicate poverty and secure intergenerational equity through broad-based sustainable socio-economic development;

FURTHER ENDORSE the proposal to establish a Mineral Development Centre to provide strategic technical support capacity to AU/NEPAD, Regional Economic Communities (RECs) and Member States for the implementation of the Action Plan and hence the AMV, and call on development partners to support the activities of the proposed centre;

REQUEST the AU Commission, in collaboration with UNECA and AfDB to assist Member States and their organisations to swiftly implement the Action Plan, as a means to achieving the goals of the Africa Mining Vision.

Addis Ababa, 16 December 2011