

FIRST ECOWAS JAPAN BUSINESS FORUM



BUSINESS OPPORTUNITIES AND COLLABORATION IN THE MINING SECTOR

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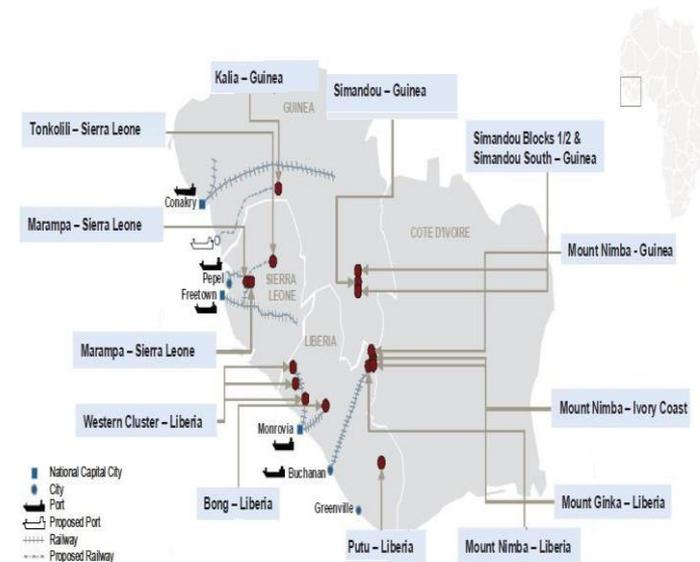
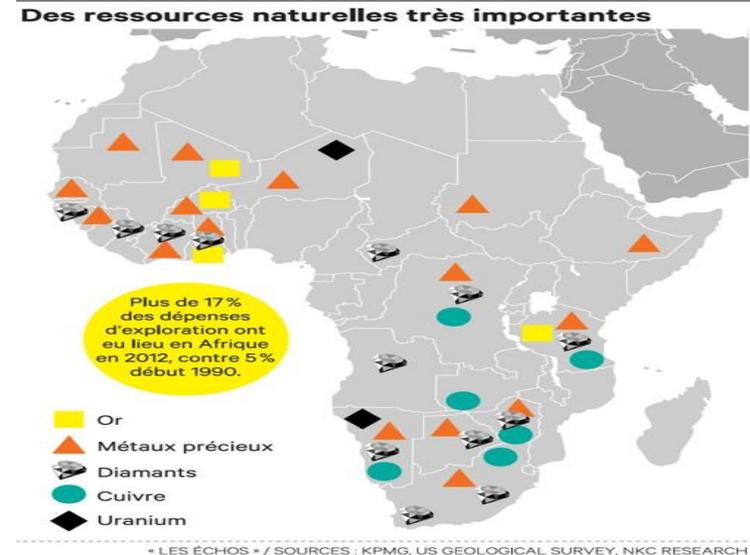
CONTENT

1. Regional mining context
2. Strategic objectives in the mining sector
3. Business opportunities and possible collaboration with private sector
4. Conclusion

REGIONAL MINING CONTEXT

□ A region well endowed with mineral resources and Attractive policies for private sector

- ECOWAS is rich mineral resources : **Gold, Manganese, Copper, Bauxite, Iron, Zinc, Nickel, Phosphates, Diamond, Uranium, etc..**
- **40%** of the world's Bauxite resources, **5%** for uranium
- Large world-class iron deposit, **4%** of the world's iron resources
- **GOLD** is the major foreign exchange earner of the sector accounting for 84% of the USD 8.5 billion from export in 2010, followed by bauxite, phosphate, uranium and diamonds
- **Attractive national mining policies** which strengthen foreign private sector investment.
- Sector guided by regional and international institutions has allowed **the opening of a significant number of mining operations** and results in significant weight in GDP and export earnings.



REGIONAL MINING CONTEXT



❑ A mining potential yet to be fully exploited / Main challenges

- ✓ **Weak geological information and infrastructure;** in most countries, the geological context remains poorly known and under-explored.
- ✓ **Predominance of artisanal mining in particular for Gold,** generating negative impacts on the environment and human health.
- ✓ **Lack of transport and energy infrastructure** which are an obstacle to the development of many known deposits including substances such as manganese, iron and bauxite, which can not be transported by train to the ore ports
- ✓ **Very low processing of raw products locally causing very little added value to the mining industry** because the region exports almost all commodities it produces, mostly unwrought.
- ✓ **Taking better account of the environmental aspect** by the systematization of environmental impact studies for all mining activities (mines, quarries, etc. ..)
- ✓ **The low impact of the development of mines on the surrounding population and local industry** – Need to promote Local Content

STRATEGIC OBJECTIVES IN THE MINING SECTOR

□ Mandate in Mining sector

- Towards the Community to have a well-organized, minimally-varied, developed geo-extractives sector .
 - ✓ **Member States to realize optimal benefits from their mineral and petroleum resources.**
- ***Operating Mandate derived from Revised ECOWAS Treaty***
 - ✓ **Article 31.1 that** *‘Member States shall harmonize and co-ordinate their policies and programmes in the field of natural resources’.*
 - ✓ **Article 31.2d –** *Member States shall coordinate their programmes for development and utilization of mineral and water resources*
- **In consequence of which the Directorate is focused on engaging in regional activities on mining to enhance the development of the Geo-extractives Sector in its broader terms.**

STRATEGIC OBJECTIVES IN THE MINING SECTOR

□ Some policy developments to address the main challenges

- There are **adopted** an ***ECOWAS Mineral Development Policy (EMDP)*** and an ***ECOWAS Directive on Harmonization of Guiding Principles and Policies in the Mining Sector.***

And, among others

- The Commission is advanced in the process to procure services towards **formulation** of an ***ECOWAS Mining & Minerals Development Act (Code, EMMDA)***, ***ECOWAS Hydrocarbons Development Policy (EHDP)***, and a technical feasibility report for an ***ECOWAS Geo-extractives Observatory & Cadastre System.***
- **Preparations** are also ongoing to secure services for a technical feasibility report on an ***ECOWAS Geo-extractives Database & Statistical Information Reporting Framework*** to guide how we report our development progress in the Sector.
- ECOWAS remain engaged in developing well-structured, collaborative stakeholder relationships to work towards the development of the Sector.

STRATEGIC OBJECTIVES IN THE MINING SECTOR

□ Towards Achieving the Mandate of Mining Directorate

- ✓ Continue to develop, facilitate, enhance, and eventually scale-up constructive regional-stakeholder engagements/partnership processes (collaborations).
- ✓ Continue to harmonize/develop integrated, sustainable ECOWAS mineral & mining regimes (Frameworks) including that for Trans-boundary mineral deposits.
- ✓ Establish and regularly update an integrated-utility and functionally-useful mineral & mining database of the ECOWAS region.
- ✓ Support/facilitate/participate in mutually-beneficial regional initiatives of other intergovernmental institutions (e.g. African Union Commission).
- ✓ Develop and facilitate the implementation of visible, Model-regional Sustainable Development Programmes/Projects (particularly) within mineral resource-rich communities of Member States.

KEY AREA OF COLLABORATION AND BUSINESS OPPORTUNITIES

- ❑ **Supporting the establishment of a functional *ECOWAS Geo-extractives Observatory & Cadastre System.***

- ❑ **Supporting the development and implementation of an *ECOWAS Geo-extractives Database & Statistical Information Reporting Framework.***

- ❑ **Implementation of integrated mining project** (Mines development – Transport commodities: Mineral railroad, Ore terminal, Energy commodities etc...) in most ECOWAS member states

- ❑ **Development of Mineral processing Industries within the region**
 - ✓ Gold refining,
 - ✓ Ferromanganese plant,
 - ✓ Steel plant,
 - ✓ Mechanization of gold panning etc...

CONCLUSION

- ❑ Regarding the mining sector, despite the rich potential that abound in the region, it's still plays a minimal role in the economic development of the region.
- ❑ Therefore, the Commission will continue its efforts to support the Member States and the private sector through policies and structural projects to see the realization of the geo-extractives sectors in ECOWAS Region providing the necessary catalytic, integrated-push as development agents, for the well-being of our peoples.
- ❑ **ECOWAS is looking for your active participation and support to its different projects in the mining sector, to strengthen the development of the geoeextractible sector in the region.**

The cardinal principles underlying our programmes and activities in these sectors shall remain human centred.

The Vision is – Moving from an ECOWAS of States to an EOWAS of People.



Thank you for your kind
attention

