



REFLECTIONS ON THE AFRICAN MINING VISION: THE FRAGMENTED TERRAIN OF MINERAL GOVERNANCE IN AFRICA

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The African Mining Vision (AMV) was adopted at the peak of the commodity boom which meant that the terrain of competition for resources had changed dramatically from the period in which structural adjustment liberalised Africa's mineral economies. The understanding of the World Bank, the International Monetary Fund and bilateral donors at the height of structural adjustment was that Western companies and their economies would be the primary beneficiaries of mineral extraction. Since then, however, new powers, particularly China, have emerged as industrial powerhouses and therefore the competition for African resources has become immense. Even among the North Atlantic powers themselves, there has always been intense competition for control of African resources. The global struggle for African resources therefore involves several key actors: The owners of the resources, Africans, those who had historically benefited from their extraction, as well as new entrants like China. It is crucial to understand this context in order to appreciate the character of the AMV and some of the implementation challenges that it has faced over the years.

Traditionally, the consumer countries of African minerals have wanted certainty, sufficiency and security of supply. At various points in history different things have been done in this regard. Historically, there have been moments of consensus between buyers and sellers because supplying countries also have an incentive to secure economic reliability of their mineral exports. Even though they were dependent on minerals, they wanted to transform their economies and the nature of this dependence while also reaping the benefits of minerals export. Secondly, you find that things swing from contestation to moments of consensus. Let us look through the period before the creation of the AMV.

THE ORIGINS OF THE AMV

In the mid-1980s when mineral prices were exceptionally low and export countries were struggling, the European Union (EU) set up a special financing facility called SYSMIN under the Lomé Agreement to support African Caribbean and Pacific countries with their mineral revenue earnings as a way of keeping the sectors alive. That reflected the EU's interest in continuity of supply. SYSMIN was not wholly successful and also co-existed with a global approach of compensatory financing, which it was not. Structural adjustment went hand in hand with the removal of those instruments at a global level.

The AMV was born as part of a push by exporting countries to gain greater control of their natural resources. The AMV was interested in promoting industrialisation and improving the situation of mining affected communities, as well as improving revenue derived from the export of minerals. The AMV reflected struggles that were taking place on the ground and a shift towards the governance of minerals as part of a new notion of the national interest.





During the mineral boom, communities and workers continued to struggle against the prevailing model of extraction which was a product of structural adjustment. Activist groups questioned the handing over of public resources to transnational corporations. People questioned the amount of revenue brought into the state's coffers from the sale of minerals and challenged the complicity of elites and the corruption which bound together local governments with foreign companies and governments. All these contestations came to have a bearing on mineral governance in a way which reinforced the agenda of the consuming powers, laying the basis for the agenda of the AMV. The AMV was, in other words, a product of political struggle.

Structural adjustment had established a neoliberal regime not simply through the market mechanisms, but also in the realm of ideology. This market-oriented ideology became hegemonic and legitimated the model of extraction advocated by the World Bank, IMF and other international interests. Community groups began to talk about impact of mining in terms of the language of 'corporate social responsibility' and 'accountability'. This fed into the emerging neoliberal development model.

The EITI and associated processes meant that a very large group of NGOs became complicit in the stability and perpetuation of the FDI revenue focused development model which the neoliberal agenda represented. Several similar mechanisms also stabilized the model that structural adjustment had created. For example, while the Kimberley Process around conflict diamonds effectively dealt with the conflict aspect of minerals extraction, it also created a mechanism for the diamonds to continue to flow out of the continent without challenging the structural power of foreign companies rooted in their ownership and domination of African mining. Similarly, the Dodd Frank Act (2010) dealt with conflict and corruption. But it did not do so in a manner that addressed the deeper structural issues of the neoliberal development model.

The interventions discussed above ultimately became legitimating discourses, represented in economic and legal architecture. When attempts were made to assert resource sovereignty during the commodity boom period, countries in Africa and elsewhere were met with the accusation of 'resource nationalism'. It was this accusation which gave impetus to the rise of the African Mining Vision. For people in the Global South, resource nationalism is a beautiful thing, it is an assertion of your ownership, an assertion of taking back control of your non-renewable resources. This may cause external and internal conflict because Southern elites definitely have been complicit in ensuring the stability of the neoliberal order.

EFFORTS AT CONTAINMENT

The assertiveness of minerals governance, embodied in the AMV, has led to number of things. Firstly, it has led to an effort of containment on the part of the OECD and North Atlantic powers who perceive it as a threat to their need for sufficiency, reliability, and security. In the case of the European Union, the Raw Material Initiative was rolled out in 2008 to counter the trend towards minerals governance. To quote Mandelson, who was the EU commissioner at the time: "the EU imports 70 to 80 percent of its primary resources"¹, an open global market completely free of all distortions on trade and energy and raw materials is a key goal of the EU's trade policy. ²

The effort to contain the vision of the AMV was also brought to bear in EU aid policy, in negotiating Economic Partnership Agreements and also in the initiatives that were pushed collectively by the G7 and the WTO. The desire was to ensure export taxes and other mechanisms would





be interdicted and stopped within the WTO. This came to be represented in things like the EPAs which outlawed the use of subsidies and various mechanisms that support industrial policy for processing diversification. All the big powers had a critical minerals list. Access to these minerals was seen as a national security issue requiring serious attention. The instruments of mineral governance were thereby attacked as part of a concerted effort of western policy interests. The EU Raw Materials Initiative was the most visible expression of the latter.

The AMV ultimately represented a challenge to the neo liberal agenda that the World Bank had installed in Africa and the Bank's \$1 billion map initiative was the most aggressive expression of the need of the global powers to guarantee supply. The World Bank survives both through consultation and co-optation. When criticism of structural adjustment was at its peak, the World Bank suddenly had a new vision: A world without poverty. But this vision shifted away from the Bank's own responsibility of actually having created the poverty in the first place.

The World Bank has now also become an active actor around the resource nationalist agenda in Africa. It took part in the process of the AMV and began to fill into areas where, because of the resource weakness of African countries, there were no initiatives taking place. The African Mining Legislation Atlas Project for example, the geo-mapping, geological information project was an EU-World Bank cooperation to put together a map which would guarantee a certain knowledge of African geological resources in the hands of the big powers.

FRAGMENTING INITIATIVES

After the launch of the AMV, African countries were pushing to renegotiate contracts. In 2014 The G7 meeting in Brussels launched a contract renegotiation initiative to centralise technical support around something called CONNEX. The G7 decided to invest money into CONNEX rather than giving money directly to African governments to implement their own projects. The World Economic Forum also set up something called the Responsible Mineral Development Initiative in 2009.

The rationale behind CONNEX and the Responsible Mineral Development Initiative uses language similar to the rationale evoked for the AMV. However, there are key differences between. First, CONNEX and the Responsible Mineral Development initiative decentred control over the reform agenda from the owners of the resource. Secondly, the AMV was a state society initiative within Africa, driven by African institutions. The Responsible Mineral Development Initiative on the other hand is a voluntary private sector initiative. Similarly, CONNEX was a G7 project which was going to be based in European Institutions.

Superficially, these initiatives appear to be doing the same things. But in reality, they contributed to the fragmentation of the political ownership and decentring of the ownership of the exercise. It meant that the owners and controllers of the agenda would not be African countries. Moreover, the proclivity of African countries to take aid meant that many countries uncritically rushed towards these initiatives.

For example, in 2014, the presidents of Guinea and Ghana turned up at the World Economic Forum to heap praise on the World Economic Forum's Responsible Mineral Development Initiative but did not mention a word about the African Mining Vision in their speeches. In effect, there had been cherry picking demobilisation and appropriation in the name of actually offering support. The struggle for control is not simply taking place through confrontational mechanisms like the





Raw Materials Initiative. There are also soft initiatives which try to build hegemonic influences which mobilise existing consents and discourses. The EITI is a very good example of that kind of initiative.

We are all for revenue transparency but if one takes the position against the primacy of revenue as a concern in minerals, that is considered problematic. If you also take the view that transparency is necessary for all processes, then you do not need a special mechanism for revenue in minerals. Inevitably, NGOs were mobilised around revenue transparency and African governments paid more attention to the EITI than they pay to the AMV. These revenue transparency initiatives gained even more importance because they were tied to soft aid conditionalities.

The Natural Resource Charter is a private voluntary initiative which was paid more attention to by the World Bank due to elaboration of the terms of the EITI and included elements of AMV. The proliferation of these initiatives supported with resources diverted political attention and fragmented energies. They are the ways in which the dominance of a certain kind of paradigm takes hold. What makes things more challenging is that there exist elements of overlap between the latter initiatives and the AMV agenda.

Many African governments have driven very hard to get more revenue share from mining, which is correct. But you find that there is not a similar drive for greater accountability for the use of the resources. There is not a similar drive for the implementation of free, prior and informed consent which is part of the African Mining Vision framework.

In conclusion, the challenge to regain control by mineral owning countries is confronted by a spectrum of instruments which range from the confrontational framework of the Raw Material Initiative to more soft mechanisms revolving around aid, cooperation, and conditional instruments like the EPA. On the other side of the spectrum, we are seeing seeming areas of cooperation and convergence on issues. What remains unclear is how to approach issues of convergence and cooperation, of ownership and control, of legal status and so on. This uncertainty is bred by the fragmented terrain of minerals governance on the continent today.

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