



Co-funded by the European Union



Published by:



Regional resource governance in West Africa

Using raw materials for peace and development

The challenges

The mining industry in the four countries of the Mano River Union (MRU); Côte d'Ivoire, Guinea, Liberia and Sierra Leone, can have a substantial impact on the sustainable economic development and the state revenue of the region. However, resource-based projects are often associated with various environmental and social risks and pose considerable administrative challenges, which may limit the positive contribution of the mining industry to regional development goals.

While reforms, in line with the African Union's African Mining Vision (AMV) have driven critical processes to enhance direct and indirect benefits from the industry, essential elements of a responsible mining sector are still missing. The far-reaching negative social and ecological consequences of mining continue to impact communities in affected areas, and the potential for strengthening the economy through state revenue generation and sustainable development is insufficiently realised. Moreover, raw materials remain a significant factor in the ongoing fragility of the countries.

Against this background, with the support of the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, governments, civil society and companies are now seeking to turn resources into engines for long-term development. At the core of efforts to achieve this goal is the alignment of the extractive industry with the principles of social, ecological and economic sustainability, the Sustainable Development Goals, (SDG)

Our approach

The GIZ programme advises key actors in our partner countries on managing mineral resources efficiently and sustainably by transforming the political, economic and statutory frameworks. Partner organisations include governmental institutions at local, national and regional level, civil society organisations and the private sector.

The methodological approach combines capacity building of individuals, institutions and networks with consultancy and policy advice. In order to achieve this, the programme's work is structured into four areas:

1. Increase of tax revenues from the mining sector and the efficiency of the tax system to combat tax avoidance and evasion
2. Strengthening state supervisory functions to improve the enforcement of social and environmental standards and to strengthen export controls and combat smuggling with a particular focus on small-scale mining of gold and diamonds
3. Improved transparency and accountability through the support of organisations which represent the interests of mining communities and the publication of government revenues
4. Strategic advice on increasing the contribution of the mining sector to national and local economic development.



Small-scale mining (left) and large-scale mining (right) have the potential to reduce poverty through increased tax revenues and job creation. At the same time, they pose a risk to the livelihoods of affected communities, the environment and good governance..

Project title	Regional Resource Governance in West Africa
Commissioned by	German Federal Ministry for Economic Cooperation and Development (BMZ), co-financing from the European Union (EU)
Project region	Member states of the Mano River Union: Côte d'Ivoire, Guinea, Liberia and Sierra Leone.
Budget	12.800.000€ BMZ + 3.000.000€ EU
Duration	January 2019 – March 2022

Impacts achieved so far:

- In **all four countries**, tax authorities have strengthened their capacity. A special focus has been placed on tax audits of companies and issuance of a mining licence. These have led to substantial tax and fee demands that can benefit the state budget.
- **Sierra Leone, Liberia and Guinea** have introduced an electronic system to manage mining licenses which maps most of the industrial and small-scale mining licenses. The system is further open to the public and linked to the tax authorities systems. This allows them to publish revenues from the sector online and therefore makes a significant contribution to transparency efforts in license management.
- In July 2016, the Ministry of Mines in **Liberia** published a roadmap to formalise the small-scale mining sector, which has been developed in consultation with relevant actors. To date, the implementation of the roadmap is supported through the piloting of cooperatives and the decentralisation of licence management.
- In **Sierra Leone**, the Local Content Agency has managed to fulfil its legal obligations regarding the establishment of a standardised online portal and rating list system. Since 2016, firms can use the system to upload their local value creation plans in order to receive individual feedback to improve performance and to ensure compliance with the law.
- In **Guinea**, the adoption of mercury-free production technologies for gold extraction was tested in a small-scale mining community. The process aims to increase income from mining and to enhance the protection of human health and the environment from mercury emis-

sions and promote better livelihoods. The Guinean government proudly presents the project as a showcase to raise awareness.

- In **Côte d'Ivoire** and **Guinea**, the validation of the Extractive Industries Transparency Initiative (EITI) standards of 2016 has been completed. For the first time, a film and an interactive theatre play were shown as part of a multi-week long 'caravan', to increase the visibility of the results in the mining regions. The events were attended by 951 participants in Guinea and 1852 participants in Côte d'Ivoire.
- In **Côte d'Ivoire**, EITI published the expenditure of five local development funds for the first time to promote the sustainable and transparent management of the funds' expenditure.
- In **Sierra Leone**, the National Mining Authority has managed to create a gender-sensitive standard procedure for the adoption of Model Community Development Agreements. To date, five mining companies have committed themselves to the participatory procedure.
- In **Côte d'Ivoire, Liberia and Guinea**, continuing training, to strengthen capacity, has been offered to 25 civil society organisations on relevant topics such as strategy development, advocacy, mining law, environmental risks and good governance. As part of these training, visits to industrial mining projects and exchange formats with the state and the private sector were organised.
- In **all four countries**, journalists are trained and supported in independent reporting. To date, 30 investigative articles on mining have been published, including ten articles on transnational issues. The promotion of specialised journalism promises to increase the public debate and the demand for accountability of the government and the private sector.
- The regional action plan of the four **Mano River Union member states** for the implementation of the Kimberley Process on diamond certification has been supported, among other things, with the preparation of two needs assessments to improve co-operation in customs and border controls in the fight against smuggling and to improve implementation capacity. Overall, 62 law enforcement officers in national capitals and at the borders were trained in anti-smuggling practices.

Published by: Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) registriert in Bonn und Eschborn, Deutschland

Regionale Rohstoffgovernance in West Afrika
GIZ Büro Abidjan
Tel: +225 870 373 62
Email: christina.heyden@giz.de
Web: www.giz.de/en/worldwide/15792.html

Date: September 2019

Layout: Stefanie Heerwig

Pictures: GIZ/ Janne Kaiser/ Stefanie Heerwig

Text: GIZ / Stefanie Heerwig / Kim Schultze / Jil Schmitz

GIZ is responsible for the content of this publication.

Commissioned by German Federal Ministry for Economic Cooperation and Development (BMZ)

Co-funded by: The European Union