

African Minerals & Energy Resource Classification and Management System (AMREC)

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AMREC Technical Working Group

A Presentation at Round table : Deveploment of United Nations Resource Management System(UNRMS) for Expansion of Investment Potential of Central Asia and BRICS Countries, The Main Goals and Principals

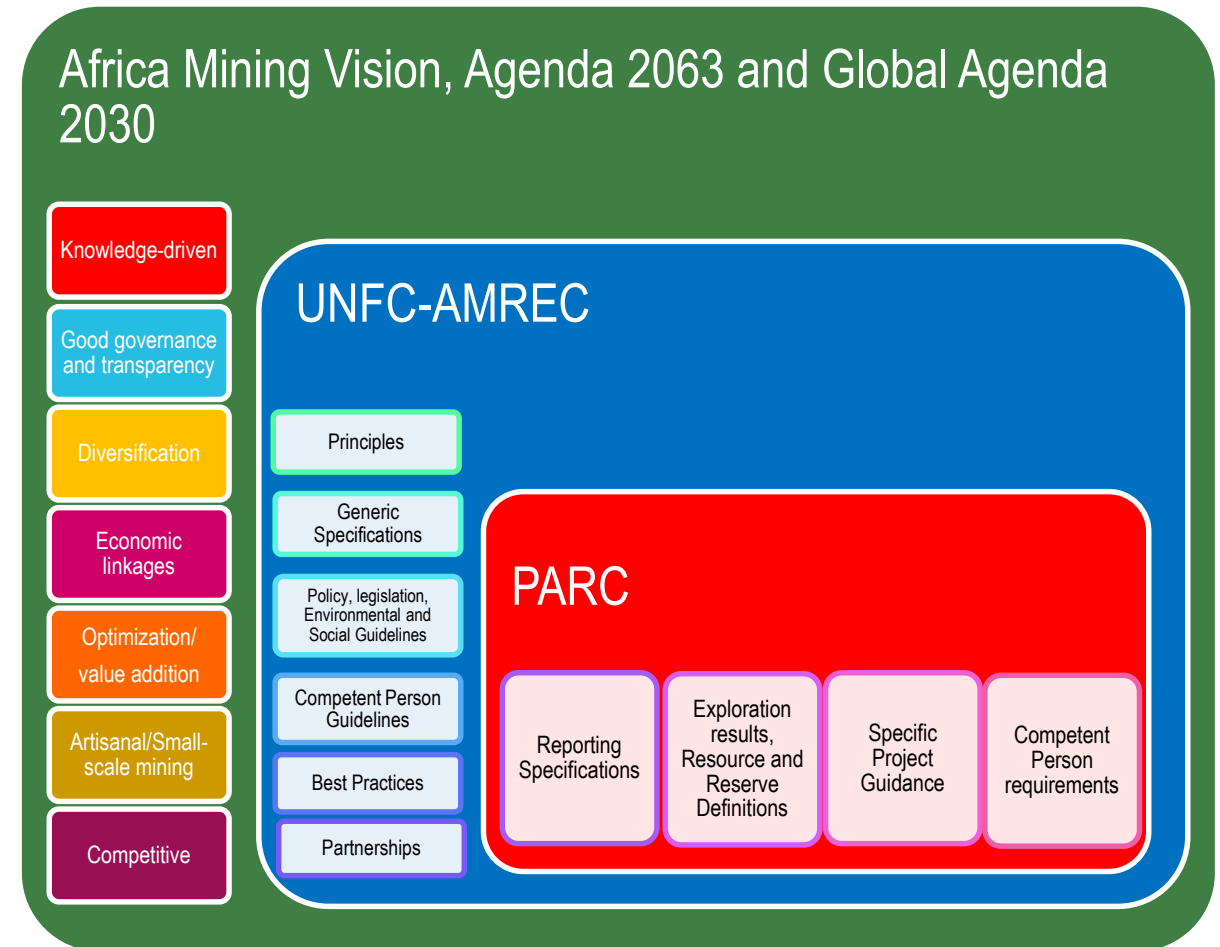
At Tyumen, Russian Federation

16 th September 2021

- AMREC – What is it?
- Why Africa needs AMREC
- Why the PARC?
- Benefits of adopting the AMREC - PARC System
- Progress made to date
- Conclusion & Way forward

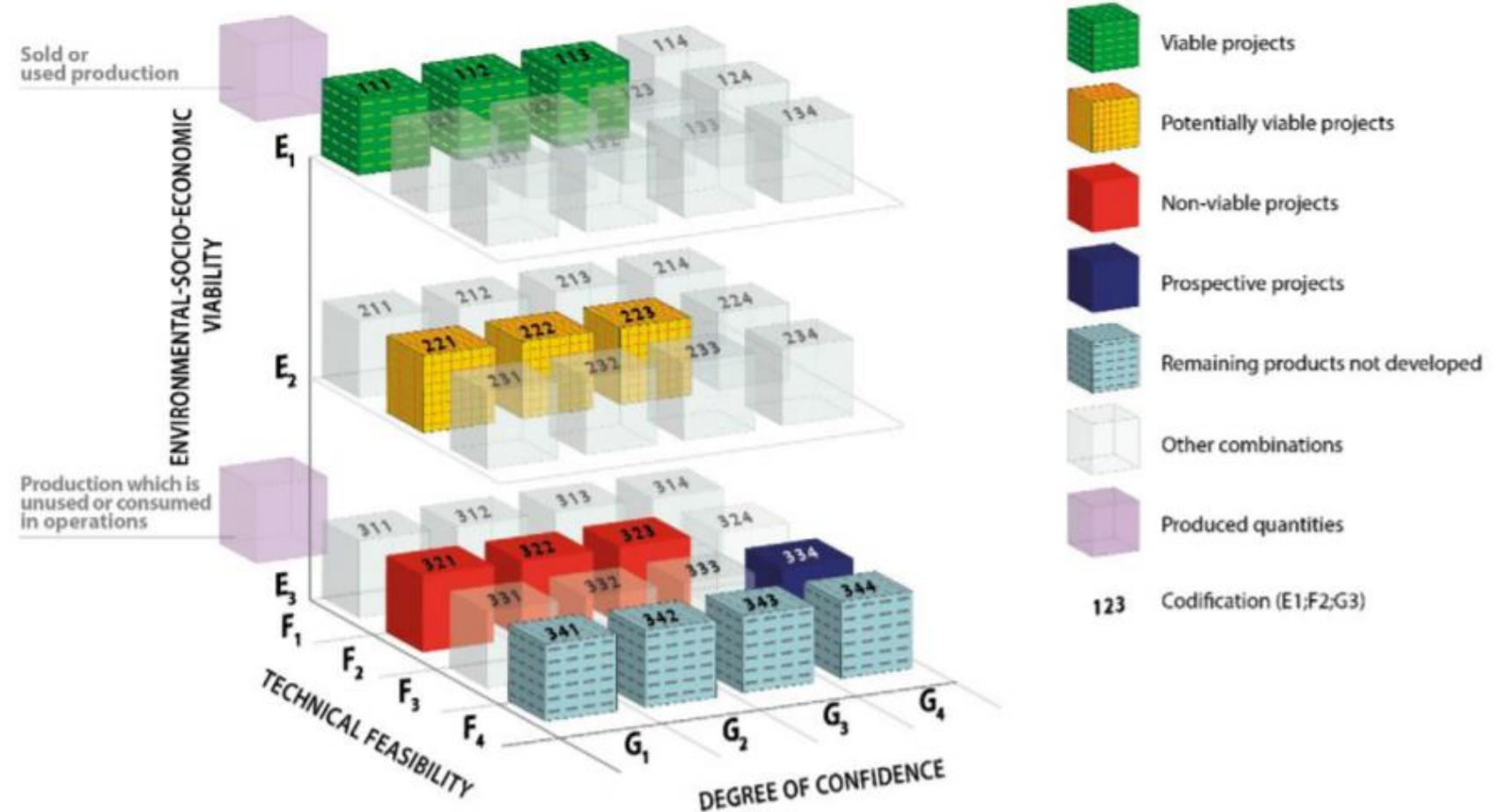
Key Highlights

- A comprehensive system for management of Africa’s mineral and energy resources.
- Aligned to Africa Mining Vision (AMV), Agenda 2063 and the Sustainable Development Goals (SDGs)
- Based on United Nations Framework Classification for Resources (UNFC) Principles, Generic Specifications and Guidelines
- Includes the Pan-African Resource Reporting Code (PARC)
- A single classification and management system for natural resources across Africa



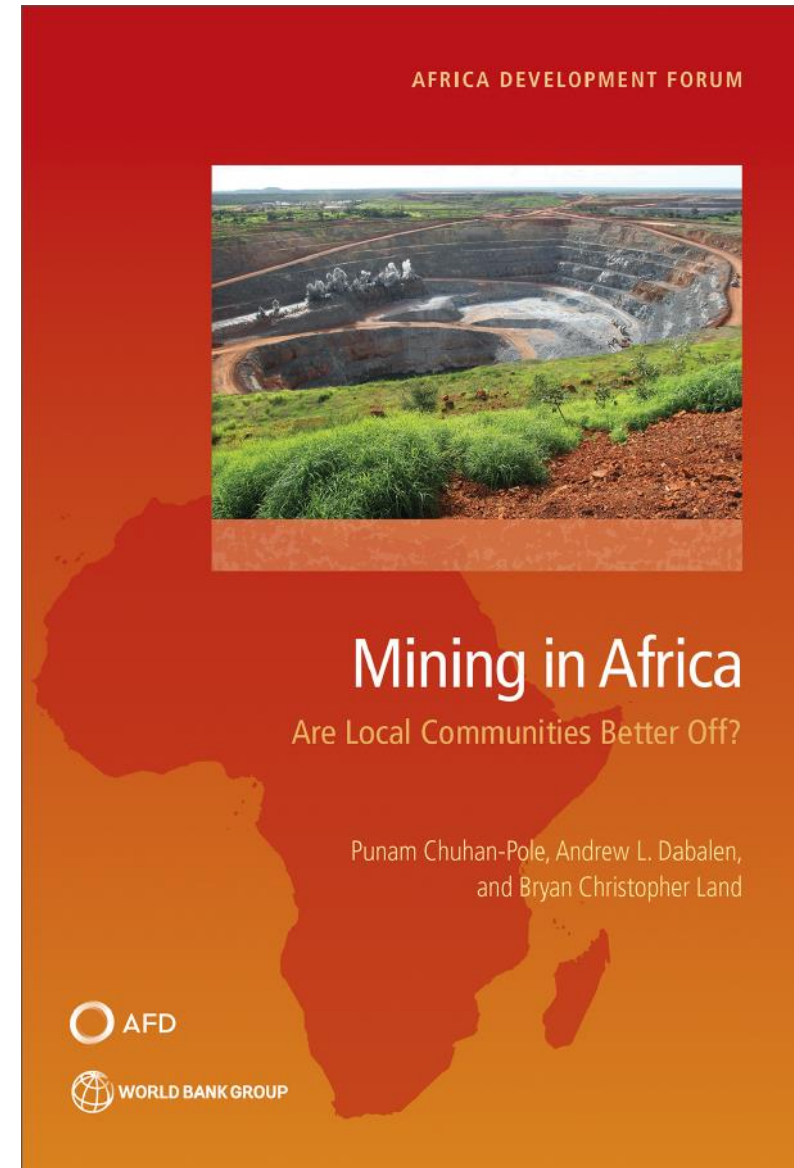
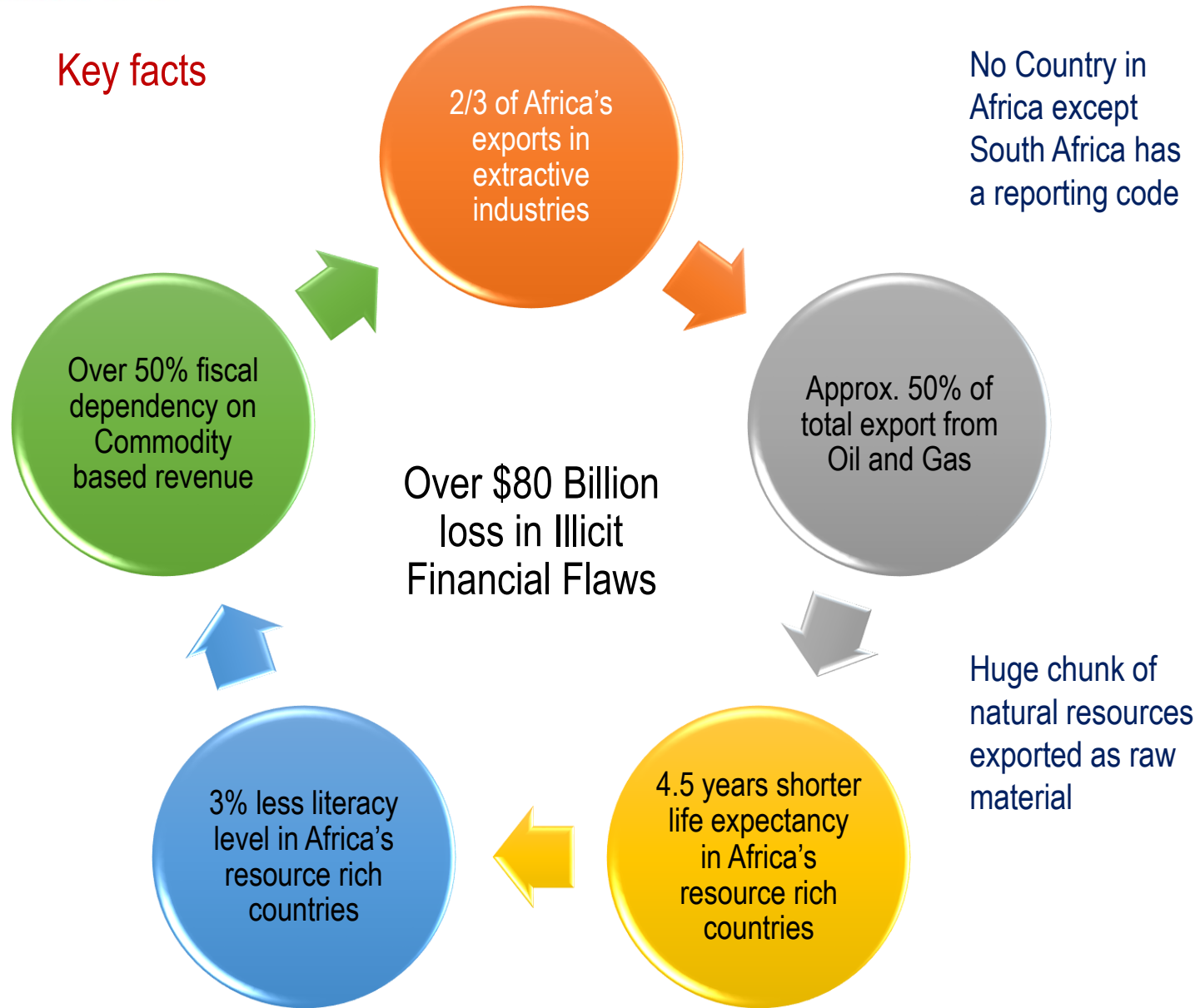
The UNFC Classification framework

- A three-dimensional framework with E-F-G axis
- Project-based and principles based classification system
- Applies to all minerals and energy resources
- Bridged to other classification systems
- Complementary to Sustainable Resources Management

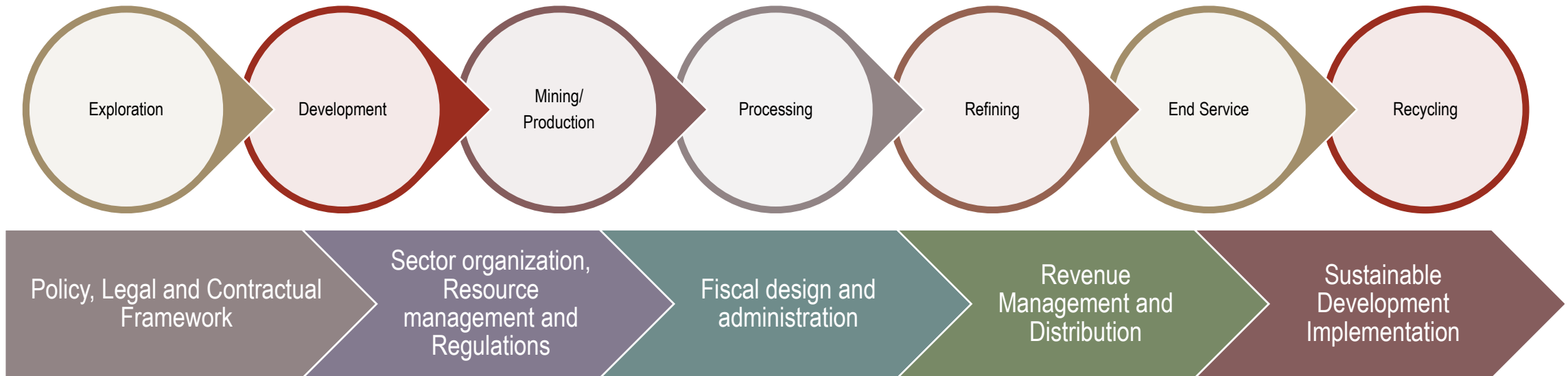


Why Africa needs AMREC?

Key facts



Aims for holistic value chain and project lifecycle management



Removes fragmentation of project life-cycle and integrates it to the value chain for structural transformation and global competitiveness in Africa.

No country in Africa has a comprehensive mineral and energy management system.

Why Africa needs AMREC?

The everyday challenge



Strip mining in South Africa
<https://www.environment.co.za/mining/effects-of-mining.html>

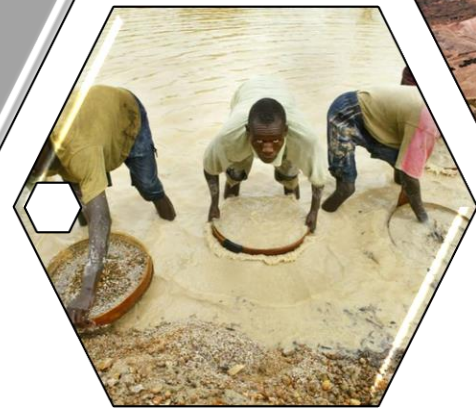
About 98% of excavation residues remain in producing countries

2/3 of Africa's exports in extractive industries



Rock waste on the hillside
<http://www.penmorfa.com/Slate/dinorwic%20tips.jpg>

51 of 54 African countries carry out small scale mining



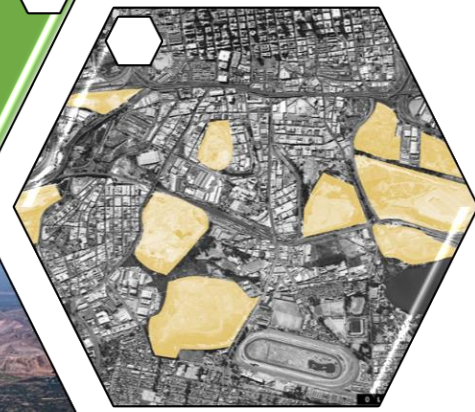
Small scale miners in Botswana

Over 220,000 hectares of land occupied by Copper Mine dumps in Zambia



Copper mine open pit dump Chingola Zambia

Over 247,000 hectares of land degraded by Gold mining in South Africa




Degraded patches of land by gold mining in Johannesburg, South Africa

The everyday challenge

Mining in west Africa

Where's our cut?

Regional governments look for better deals with foreign mining firms



Artisans and small-scale gold miners in Mubende district have rejected about 60 square kilometers of the licensed area, which the licensee had offered to them in an effort to break a deadlock.

The decision of the mining company — ALIC Uganda — is influenced by a recent directive from President Yoweri Museveni, who ordered the investor to relinquish 30% of the licensed area to the artisans and small-scale miners.

The company is owned by South African investors and two local partners — Moses Masagari and Geremba Nyuba (together about 20%). The artisans were last year evicted from the licensed area, covering mining sites, at the request of the investor.

Since the presidential directive, the energy ministry officials have brokered negotiations aimed at getting the investor and the artisans to agree on the area that should be relinquished to the latter.

On Tuesday, a meeting convened by the ministry officials at Amber House in Kampala ended without a compromise after the artisans rejected the investor's offer.

During a mining conference organized by Global Rights Alert, a non-governmental organization at Hotel Africana in Kampala, recently, the artisans said they rejected the offer because they are not certain whether that part of the land that was given to them contains gold.

"The investor wants to give us an area which has not been mined before and is taking the area where we worked before. That is where the gold is, and the investor is aware," Emmanuel Kibinge, the secretary of Mubende United Miners Assembly, said.

During the conference, aimed at promoting inclusiveness in the governance of Uganda's mineral wealth, Kibinge said the area offered to them requires fresh exploration to determine whether it holds gold.

"We do not have the money to do exploration. We spent years digging up gold as we were cultivating the land for agriculture. Are we expected to start doing exploration again?" he wondered.

The miners' assembly officials said there were about 60,000 people in Mubende mines before eviction, but only about 15,000 were engaged in mining.

Vincent Koki, a principal mining engineer in the energy ministry, said they would continue to engage the artisans and the investor in order to get the two sides to strike a compromise.

Inclusiveness

Winnie Ntagwire, the executive director of Global Rights Alert, said there was need for inclusiveness in the governance of the mining sector.

"The landowners, investors and the Government should discuss. The ongoing discussions are dominated by the big investors and the Government, leaving out the artisans," she added.

Ntagwire explained that there was need to recognize children and women as players, and not victims in the mining sector.

Abdul Nasser, a senior lands officer, explained that land should be explored whether it has minerals, oil or gas or not.

"When minerals are discovered somewhere, the landowners have high expectations," he said.

Nasser noted that in most areas where minerals are found, the land is customarily owned. He, however, said the ministry was organizing communities into communal land associations and helping them to process certificates of customary ownership.

Fr. Germain Otabom, the chairperson of the Inter-Religious Council of Uganda in charge of eastern Uganda, said the problem of leasing land to investors without consulting communities was increasing in Karamoja and eastern Uganda.

Otabom said many investors owned factories for processing minerals in Karamoja and eastern Uganda, but their identity is not known.

Dr. Paul Bagabo, from the Natural Resource Governance Institute, said the Government needs to confirm the commercial quantities of various minerals in Uganda to enable them get explored.

Bagabo urged artisanal and small-scale miners to join efforts and set up mining companies.

Alamy

10 NEW VISION, Thursday, September 27, 2018 NATIONAL NEWS

THE MINERS ARGUE THAT THE INVESTOR WANTS TO TAKE THE PORTION OF LAND WHERE THEY USED TO MINE

Gold miners reject investor's offer

By Pascal Kweziya and John Odyek

BETWEEN THE LINES

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A boy washes stone dust in search of gold nuggets in an open-pit mine in Mubende. The gold miners have rejected the portion of land the investor has given them, saying it does not have the mineral. File photo



CHIMPREPORTS NEWS ENTERTAINMENT SPORTS BUSINESS SPECIAL REPORTS TRAVEL

FORTEBET "...but I still remained positive that one day I would be the boss!"

NEWS

Opinion: It's Time to Recognise Contribution of Artisanal, Small Scale Miners In Uganda

By Chimp Corps

Posted on September 28, 2018

Why the PARC?

Promoting Investments

Except South Africa, no other AU member country has a public reporting code

A unified continental public reporting code will be a game changer

African stock exchanges are unified under a single association - ASEA

African Competent Persons will ensure better working conditions for professionals

Publicly available reports will be a good source of information that can be used for further brownfield exploration.

PARC reports will be centrally accessed through GMIS

PARC
A game-changing unified stock exchange and financial reporting code to spur growth in mining, petroleum and renewable energy investments.

Strategic Benefits

1. I.Ensure trust worthy and consistent reporting of natural resources across Africa
2. Ensure natural resources in Africa are accurately accounted for its economic net value
3. I.Ensure independent validation and assessment of natural resources that meet global standards
4. I.Ensure dissemination of mineral resource knowledge to stakeholders including governments
5. I.Ensure adoption of a reporting system that meets financial institutions' requirements and participation of Africa's stock exchanges
6. I.Ensure the development of competent persons who will bring confidence to decision-making and operations
7. I.Ensure local empowerment and easy attainment of local content policy

Key Outcome - Build Back Better

1. Increased local content and leadership role of African Competent Persons
2. Increased value addition and circular economy transitions incorporating a new commodity strategy in the post-COVID rebuild
3. Enhanced capacity in Africa to benefit from long-term equitable and stable supply chain contracts of critical raw materials
4. Transparent and holistic approach that attracts Environmental and Social Governance (ESG) funding and foreign direct investments
5. A new social resource contract and active stakeholder participation at all levels

Progress made to date

Facilitated by African Union:

- First through African Mineral Development Center (AMDC) under UNECA
- Now through African Union Commission (AUC)

Stakeholder engagements

Dates	Engagements
1. August 2016, Cape Town, South Africa	Discussed adoption of UNFC as a model for Africa
2. April 2017, Geneva, Switzerland	Recommended harmonization, adoption, and development of a Pan African Resource Classification & Management system in line with AMV
3. October 2017, Cairo, Egypt	1 st Continental workshop on development of UNFC-AMREC-PARC, 35 of 55 AU member states represented
4. October 2017, Gaboron, Botswana	OAGS General Assembly endorsed dev't of AMREC to tackle competent person challenges
5. April 2018, Geneva, Switzerland	Recommended formation of an AU-AMREC Technical Working Group
6. July 2018, Aveiro, Portugal	African colloquium meeting and inaugurated a 21 member AU-AMREC Working Group
7. September 2018, Kampala, Uganda	Presentation at the Minerals Wealth Conference
8. December 2018, Dakar, Senegal	Directors General of Africa Geological Survey Stakeholder engagement, recommended for approval
9. September 2019, Windhoek Namibia	Continental Stakeholders workshop on AMREC adaptation for Africa
10. October 2019, Kigali Rwanda	Incorporation of AMREC into the AMDC business plan
11. September 2021, Addis Ababa	Presentation to STC for adoption

Key Milestones

- Completed development of the AMREC-PARC document
- Synthesized versions available in four languages of English, French, Arabic and Portuguese
- Recommended for approval by Director Generals of Africa Geological Surveys
- Embedded under the Africa Minerals Development Center (AMDC) Business plan taking off in 2021
- Case studies have been carried out in Malawi, Egypt, Niger and Nigeria. While Pilot projects are underway in Namibia and Uganda



Members of AMREC Technical Working group, Cairo Egypt, October 2017

Progress made to date

Members of the AMREC Technical Working Group

S/No	Country/Organization	Name	Remarks
1	AUC	Mr. Frank D. Mugenyi	Chairman of AMREC and Vice Chairman, EGRC
2	AUC	Mr. Paul Msoma (RIP)	AMDC Interim Coordinator
3	Nigeria	Arisekola Tunde M	Technical Coordinator and Vice Chair, EGRC
4	Uganda	Felix Bob Ocitti	Member
5	GSAf	Prof. Olugbenga OKUNLOLA	Member
6	OAGS	Mr. Alex Ndubusi NWEGBU	Member
7	Africa diaspora	Prof. Aberra Mogessie	Member
8	Facilitator	Dr. Kaiser Concalves De Souza	Member
9	Morocco	Prof. El Hassan SAYOUTY (RIP)	Member
10	South Africa	Abdul Osman Kenan	Member
11	Malawi	Mr. Cassius CHIWAMBO	Member
12	Namibia	Mrs Anna-Karren Nguno	Member
13	Ghana	Prof. Samuel Boakye Dampare	Member
14	OAGS	Dr. Rokhaya Samba	Member
15	Morocco	Prof. Yousef Driouch	Member

S/No	Country/Organization	Name	Remarks
16	Cameroon	Prof. Theophile Ndougsa Mbarga	Member
17	Tanzania	Dennis Amos Mwalongo	Member
18	Egypt	Mohamed Helmy Taha Elsayed	Member
19	Democratic Rep. of Congo	Mr. Francois Kazadi KABUYA	Member
20	Madagascar	Mrs Dinamalala Julia Ranaivosoaona	Member
21	Senegal	Dr. Abdoul Azizi Ndiyaye	Member
22	Cameroun	Ms, Cristelle Nikoh MEFEUGEND	Member
23	Zimbabwe	Dr. Maideyi Lydia Meck	Member
24	Mozambique	Ms Imelda Marques	Member
RESOURCE PERSONS FOR THE WORKING GROUP			
1	UNECE, Geneva	Harikrishnan Tulsidas	UNFC Expert
2	Aleff Group, London	Dr. Julian Hilton	UNFC Expert

Proposed representation to the governing council for AMREC-PARC

- Representative from the AU (on two year rotational basis among the regional blocks in the continent)
- Representative from the AMDC
- Geological Society of Africa
- Organisation of African Geological Surveys
- Representative of Africa Securities Exchange Association (ASEA) otherwise known as the Stock Exchanges in Africa
- Representative from the AMREC-PARC Working Group
- Expert from Exploration and Mining industries
- Representative of Association of Chambers of Mines and other Mining Association in Africa
- African Academy of Sciences (AAS)
- African Oil Producers Associations (AOPA)
- Representatives of Environmentalists
- Representative of the Renewable Energy Industry
- African Bar Association

Conclusion

- The paradox of wealth co-existing with poverty remains a reality
- Knowledge gap plays a great role in poor management of mineral wealth
- AMREC and PARC envisaged as the game changer

Way forward

- Request STC to endorse AMREC as a key instrument for implementation of the Africa Mining Vision and its implementation structures

Thank you!