High Level Panel on "Local Value Addition: Beyond Increasing Revenues"

Congress of Africa's Mineral Resources Development (CAMRED)

11 - 13 November , 2024 | Semiramis Intercontinental Hotel, Cairo, Egypt

AFRICA BUSINESS COUNCIL

Coalition for Dialogue on Africa

Extractive sector remains the major source of commercial illicit financial flows (IFFs) from Africa. As a sector dominated by foreign firms producing raw minerals from export, it continues to be the weak link between national level fiscal demands and revenues generated from the sector. While resource-rich African countries struggle to meet their development demands, the sector has seen a huge boom in revenues. According to Statista, profitability of mining multinational firms has been growing at an average of 67% per annum in the last two decades, while the revenues that African countries where the minerals are sourced from see decline in real earnings.

The dominant perception has been that the operation of the sector ought to be left to the private sector, while the state is reserved to a facilitative and regulating role, albeit with the intention of reducing risks for private multinational firms. Nonetheless, this dominant view has been proved wrong, particularly after the mining boom of the 2010s that brought hefty profits for multinationals, with little developmental dividend to source countries.

The increasing focus on local value addition came from the contradiction observed during the mining boom. With the endorsement of the African Mining Vision (AMV) by the African Union in 2009 and subsequent action plan in 2011, the issue of mineral resources development with a focus on local value addition gained traction. The establishment of the African Mineral Governance Framework (AMGF) in 2017 took the discussion to an even higher level, with mineral resources and their development being central to the governance agenda in resource-rich African countries.

Local value addition is not only about revenue generation. It is also about building and developing an ecosystem of industrial capacity in mineral-rich countries with the aim of diversifying the economic base. It is also about skills development, local level economic linkage, entrepreneurship, job creation, small enterprises development, local private sector development and economic resilience. It is all about moving an economy of a given country from the lower levels of productivity to higher level of productivity, and building the economic basis for absorbing shocks. It is also about transitioning an economy from a price receiving to a price setting standing.

As rightly stipulated in the AMGF, local value addition is also about ensuring the policy autonomy of countries and streamlining good governance. With the renewed interest on mineral development contracts in African countries, such as West African countries, the issue of value addition has become central in political settlements.

In view of the implementation of the African Mining Vision, the African Mineral Governance Framework (AMGF) and emergent discussions around the just energy transition, the **High-Level Panel on Local Value Addition** at the First CAMRED will be looking into the issues pertaining to **economic diversification and containing illicit outflows.** The high-level panel will also reflect on the implementation of the AMV and the nexus between technological development and the rising demand for critical minerals. The role of continental frameworks in enhancing local value addition in Africa will also be evaluated in the panel.

Venue

Semiramis Intercontinental Hotel, Cairo, Egypt

Panel Structure

The Panel will be a 2 hours panel (3:00 - 5:00) held in the afternoon of 11 November 2024. It will be moderated by a renowned journalist and hear of the following participants:

Moderator

Mor Amar Journalist, Newspaper EnQuete, Senegal

Mr. Mor Amar is a journalist for the daily EnQuete in Senegal. He is also Secretary General of the Convention of Young Reporters of Senegal, and President of the Collective of Journalists in Financial Investigation.

Panelists

Tunde Arisekola Speaking Virtually

Senior Advisor, African Mineral Development Center (AMDC)

Mr. Tunde Arisekola is a senior advisor for geological and mineral information at the African Mineral Development Center (AMDC), African Union. Previously, he was director of National Geosciences research in the Nigerian Geological Survey Agency (NGSA). Mr. Tunde has a BSc in Geology and MSc in Geology and Geochemistry from the Universities of Ilorin and Ibadan, Nigeria.

Lebohang Liepollo Pheko Speaking Virtually

Member, Club of Rome, and National Planning Commissioner, Office of the Presidency, South Africa

Dr. Lebohang Pheko is a full member of the Club of Rome and a National Planning Commissioner at the Office of the Presidency in South Africa. A senior research fellow at Trade Collective, a think tank that focuses on creating more ethical, redistributive and reparational economics, she is a globally recognized thinker on African development issues.

Andrés Arauz

Senior research fellow, Centre for Economic and Policy Research (CEPR), United States of America

Dr. Andres Arauz is an academic and policy researcher with expertise in money and technology, government procurement, development planning macroeconomics, illicit financial flows, and finance. He has authored several CEPR reports on Special Drawing Rights and Latin American economies. He also has a broad policy background and experience in Ecuadorian government and electoral politics: he has served as Central Bank balance of payments statistician, financial policy advisor at the Ministry of Economic Policy, Chief Operating Officer at the Central Bank, Under Secretary for Public Investment, Deputy Secretary for Planning at the National Planning Secretariat, General Director of the Public Procurement Agency, and Minister of Knowledge and Human Talent.

Redge Nkosi

Economic Advisor, CoDA/AU HLP on IFF from Africa Secretariat

Mr. Redge Nkosi is economic advisor at CoDA/AU HLP on IFF from Africa Secretariat and an Executive Director and Head of Research at Firstsource Money, an economic research and advisory firm based in Pretoria, South Africa. He is also the founding and current executive board member of the London-based Monetary Reform International, an international organization aimed at reforming the current global monetary and banking systems.

Coalition for Dialogue on Africa (CoDA) is a preeminent platform for high-level policy dialogues and collective action on Africa's development. A special initiative of the African Union, CoDA has been at the forefront of research, advocacy and coordination on key focus areas – regional integration, domestic resources creation and mobilization, good governance and population health. Headquartered within the African Union, in Addis Ababa, Ethiopia, CoDA also hosts the Secretariat of the African Union High Level Panel on Illicit Financial Flows from Africa (AU HLP – IFF).

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African Business Council (AfBC) is an apex body on the promotion and lobbying of Pan-African business interests. An independent private sector institution of the African Union, AfBC's membership is open to national, regional and continental private sector organizations/associations. AfBC aspires to be the premier advocacy arm and platform for private sector cooperation and engagement at the African continental level, strengthening economic, commercial, business, and investment ties among the business communities of the African continent.

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