



Mining Indaba 2024

Ministerial Symposium

Summary Report





Frans Baleni
Chair, Mining Indaba Advisory Board

— Opening remarks —

This year's prestigious Ministerial Symposium brought together 44 C-level mining executives and 24 government ministers to discuss and further strengthen public-private collaboration on the sustainable development of Africa's mining sector.

The symposium coincided with the Mining Indaba's 30th anniversary. While the continent's mining industry has undergone many transformations over the past three decades, several pertinent issues remain. These include addressing the stubborn challenges of logistics and infrastructure investment, attracting exploration spend, driving investment in the sector, reducing policy uncertainty, and overcoming skills shortages.

Mining leaders will need to address these challenges to help shape the industry's future, contribute to Africa's economic development trajectory, and improve the lives of many African people.





Nolitha Fakude
Chairperson, Anglo American South Africa & President, Minerals Council South Africa

Scene setting

Over the past years, the Ministerial Symposium has created a safe space to engage in dialogue on the challenges and opportunities in Africa's mining industry. Now, with the industry facing many disruptions, it is time to embrace the positive elements of this disruption through courageous discussions and new thinking.

The future of mining has been a critical topic for the past three decades – a future where mining in Africa can retake centre stage and where the industry improves economies and the quality of life of the continent's people.

Actions that put Africa at the centre of this positive disruption need to be deliberated now, together with a shift from talking (and planning) to acting. Africa's role in critical minerals will be undermined without regional collaboration, which requires strengthening and leveraging synergies in mining value chains, and collaborating to overcome energy, logistics, and crime and corruption-related challenges.

Leaders will need to provide vision and thought leadership beyond election cycles, against a backdrop of enabling policy and regulatory reforms, socially responsible private sector actors, informed civil society that is not swayed by competing interests, and, most importantly, a mindset shift that will help navigate a new future.



Hon. Gwede Mantashe
Minister of Mineral Resources & Energy, Republic of South Africa

— Opening address —

Complex and difficult times, locally and globally, form the backdrop to this year's Ministerial Symposium. South Africa's loadshedding crisis, rail and port challenges, and rising global economic costs due to trade wars and conflict are testaments to this.

As the South African economy recovers from the shock of COVID-19 and continues to be impacted by other challenges, the mining industry's contribution cannot be understated.

To achieve a better Africa, and also a better world, this year's Mining Indaba will need to look at growing and strengthening the industry and its global competitiveness. Africa's plethora of resources – including critical minerals such as platinum group minerals (PGMs), copper, manganese, graphite, and others – should be explored, mined, and exported, not in raw form but as manufactured goods.

Transforming mining needs the building of regional value chains and forming part of supply chains in the global green economy, while also making a meaningful impact on people's lives through socio-economic development and sustainable growth.

Transformation requires a shared understanding of what Africa wants to achieve; how African countries can better collaborate, for example, along regional value chains and leveraging agreements such as the African Continental Free Trade Area (AfCFTA); how countries can overcome one of the biggest challenges, namely access to energy, and how to respond with peaceful solutions to the geopolitics of the scramble for critical minerals.

Keynote address: The African Mining Vision

Adopted in 2009, the African Union's (AU) African Mining Vision (AMV) looks to achieve the overall goal of creating "a transparent, equitable and optimal exploitation of mineral resources to underpin broad-based sustainable growth and socio-economic development". It is the vision for managing the continent's mineral resources – estimated at 30% of global mineral deposits – for present and future generations.

In an era of runaway climate change, limited decarbonisation, energy poverty and insecurity, and Artificial Intelligence (AI) Africa needs to find ways to overcome the challenges of unlocking wealth from our natural resources to achieve inclusive and sustainable growth.

An Action Plan with nine programmes was developed in 2011 to implement the AMV. These include geological and mining information systems, artisanal and small-scale mining, environmental and social issues, and infrastructure improvements. The African Minerals Development Centre (AMDC) – an arm of the AU – was formed to implement the principles and Action Plan of the AMV.

However, the AMDC has faced several challenges: it has not yet received the minimum 15 signatures required for ratification and, thus, full operation. This prohibits the centre from benefitting from the AU budget process. Countries are urged to sign to accelerate operationalisation of the AMDC as a specialised agent of the AU.



H.E. Albert Muchanga

Commissioner for Trade, Industry and Mining, African Union



Several important milestones have also impacted the implementation of the AMV. These include the AfCFTA, effective from 1 January 2021, and the development of trade corridors (such as the Lobito corridor) that will boost regional and continental integration, including mining. The AfCFTA is also strategic in terms of creating local production in clean energy and mineral value chains, including lithium batteries, solar panels, and wind turbines.

Adopted in January 2022, the AU Commodity Strategy is another milestone. It envisions commodity-led industrialisation, developing African mining, energy, and agricultural commodities by promoting value addition, and driving the continent's structural, social, and economic transformation.

Another critical development is the green transition agenda. Some estimates, such as those of the International Energy Agency (IEA), foresee production of lithium and cobalt increasing by as much as 500% by 2030 to meet the global demand for clean energy. This creates the opportunity for producing countries to harness these minerals for sustainable growth and broad-based development in line with the AMV.

Once adopted and implemented, the AU African Green Minerals Strategy (AGMS) – currently being considered – will position Africa in global critical minerals supply chains, with an emphasis on processing, smelting, and refining, while reducing greenhouse emissions. Countries such as the Democratic Republic of the Congo (DRC) and Zambia have started to identify cross-border opportunities that promote structural

transformation and further mutual partnerships between the private sector, the public sector, and communities.

Stakeholders need to strengthen governance, especially in the policy formulation stage, align it to existing frameworks and compacts, and implement the AMV per the action plans and frameworks. There is, furthermore, a need for targeted mineral policies in the minerals value chain as well as national and regional policy coordination.

Last but not least, as the private sector is the primary actor in the value chain, it is essential to engage in continuous discussions to understand needs, including information requirements and ways to de-risk investments in the continent.



Keynote:

Creating a positive image for mining in Africa



Mcebisi Jonas

Chairman of MTN, Chairman Manganese Producers Consortium, Former Deputy Finance Minister of South Africa

The world has not been as fragmented as it is today since the Cold War: it is not business as usual amid global conflicts and the loss of life. More voters than ever will go to the polls across over 60 countries in 2024. Politics could disrupt the world as we know it and “a lot of fixing” is urgently needed. The COVID-19 pandemic, shocks such as the Ukraine-Russia war, inflation, higher interest rates, the cost-of-living crisis, and climate change show that events in the rest of the world heavily impact Africa.

Yet, a prosperous global future will require the African continent to succeed, mining to play an elevated role in Africa’s resurgence, and Africa to chart a new course in its relationship with the world.

Three broad areas will need focus to achieve this. First, African leaders need to respond to and navigate increasingly volatile geopolitics. Africa cannot be a pawn in a power struggle where trade and investment relations are tied to political loyalty.

Second, Africa’s investment proposition needs to be clear to attract capital. (Africa has 18% of the world’s population but only 2% of global capital.) Net capital outflows from Africa, high debt, the increasing cost of servicing debts, high inflation, and risk sentiment in emerging markets have hampered Africa’s investment case. A comprehensive and systemic approach to addressing the debt crises in many countries is required. Education, infrastructure, and climate-related initiatives require capital. A broader restructuring of multilateral funding

institutions could help address Africa’s capital deficit. It is in the interest of the mining sector that countries have strong governments, capable institutions, strong tax regimes, and a predictable policy environment.

Third, new models for state and private sector collaboration are needed to produce higher value goods in Africa and connect with the global supply chains central to Africa’s industrialisation. Policy, infrastructure, skills development, and unlocking productivity will need to be enabled to draw on the strengths and synergies of both state and private sector stakeholders.

Digitalisation will be a game changer in this regard and how mining will embrace it will play a pivotal role. Private-public partnerships (PPPs), such as in infrastructure corridors, can help spur economic development. Governments must develop the right frameworks for these partnerships and policies that enable the private sector to produce while eliminating ongoing skepticism around private sector participation, transparency, and accountability.

Africa must promote mining projects that enable a broader ecosystem, promote innovation, skills development and local development, and reverse the past 30 years of deindustrialisation. The mining industry needs to be ready for this change.

Discussion: Beneficiation of Africa- sourced minerals



Panellists:

- Moderated by: **Veston Malango**, CEO, Chamber of Mines, Namibia
- Louis Watum**, President, Chamber of Mines of Democratic Republic of Congo (DRC)
- Sokwani Chilembo**, CEO, Chamber of Mines, Zambia

The global energy transition will not be possible without mining and access to critical minerals. This presents an opportunity for Africa to provide and beneficiate critical minerals. This will, however, require the private sector and governments to work together closely.

The Mining Industry Association of Southern Africa (MIASA), which includes 11 member countries, has pivoted its thinking towards a greater private sector role in downstream activities. For example, manufacturing of precursor minerals for electric vehicle (EV) value chains has become a source of capital for developing new operations. There is an opportunity to replicate the success seen in South Africa's North West province with PGMs and build a dominant position in that market for catalytic converters.

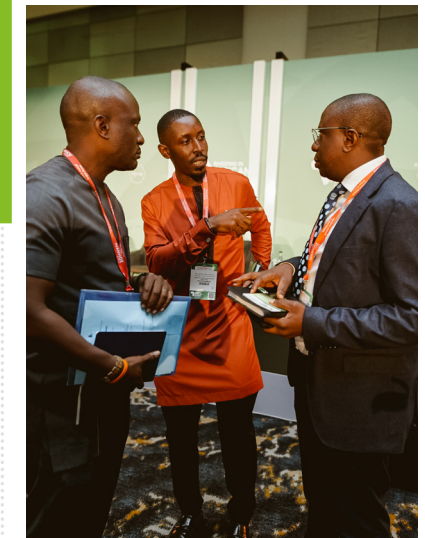


MIASA's members have collaborated on ways for mining to catalyse growth and benefit the region for example, optimising policy to remove barriers to exploration. Furthermore, MIASA has a regional role to play in replicating initiatives such as the battery plant between Zambia and the DRC.

These opportunities require investment and a regulatory framework that provides certainty and stability to attract and protect investors. Investment in greenfield exploration is required, but, despite Africa having vast mineral endowments, the continent attracts only 14% of global exploration budgets.

While mining accelerates rather than drives growth, the long-term focus should be building infrastructure, upskilling programmes, and reducing corruption and poor governance. Countries such as China, Japan, and South Korea did not become world leaders in, for example, batteries, by accident. This vision was planned and developed over 30 to 40 years. Governments come and go, but the long-term vision and goals remain.

Policy stability and continuity are vital in the volume game. In the DRC, for example, policy stability in mining has seen the industry grow. The strategy of value addition is linked to accelerating core mining growth and attracting sources of capital. One lesson is domesticating some of the demand to justify value addition in the continent.



Ministerial Panel

Discussion: Pushing Africa into a new investment era with solutions to the continent's greatest challenges



Panellists:

- **Hon. Dr. Steven L Kiruswa**, Deputy Minister of Minerals, Republic of Tanzania
- **Hon. Samuel Abu Jinapor**, Minister for Lands and Natural Resources, Republic of Ghana
- **Hon. Gwede Mantashe**, Minister of Energy & Mineral Resources, Republic of South Africa
- **Moderated by Gilbert Makore**, Regional Director, Anglophone & Lusophone Africa, EITI

The mining industry has shifted over the past few decades, with mineral categories and methods evolving. The global energy transition has created an emerging demand for critical minerals, so the industry will clearly continue to play an important role. However, the mining industry will also give rise to new sectors and thus also needs new policies to respond to change.

Governments, policymakers, investors, and local populations must review the predominantly colonial frameworks governing the mining industry and chart new frameworks that are fit-for-purpose and work for countries, investors, and communities.

A balance thus needs to be struck. Take Ghana, for example, where a framework is being built for exploiting and managing green minerals, with inputs from the mining industry: the framework focuses on ways to avoid exporting minerals in their raw state and on indigenous participation in the value chain.

In Tanzania, where mining has also occurred since colonial times, the country has embraced mining, processing, and beneficiation to develop value chains and benefit the population. The policy framework is one where the government is the custodian, and local content regulation and opportunities for direct employment have been developed. The priority is to manufacture goods that will be sold to the world.

These examples are building blocks towards value chains that could span the continent. Countries will need to work together, drawing on their comparative advantages and core

competencies, where, for instance, one country hosts the factory, while another supplies key minerals inputs.

Building cross-border value chains requires countries to define “critical minerals” and understand the extent of their resource deposits through a more transparent system for accessing mineral rights. The latter needs to be enabled through technology and modelled on best practice in countries such as Botswana. This process will also require agreement on value addition that will prevent history from repeating itself (i.e., not following a pit-to-port model). Cross-border value chains require synchronisation of policies guided by the AMV and the supply of skills and education outputs from technical and mining engineering schools.

A fundamental realisation is that the private sector will be the engine of growth. The state, however, can participate in mining but needs to have minimal involvement. Instead, African governments must honour their responsibilities by setting a framework to attract mining and value addition investment.



Ministerial & CEO roundtables

Topic 1#:

How does Africa leverage its critical minerals endowment?



What is the issue?

As demand for critical minerals is expected to increase, Africa faces a series of challenges that prevent effective negotiation, fund-raising, and investment. First, countries must define what “critical minerals” means. Second, there is a lack of basic geological information on African countries’ mineral endowments and reserves. A third issue is the lack of a definitive and trusted voice on mineral development-associated supply chains in Africa.

Regarding exploration, mining, and related value addition, inconsistent and even contradictory policy decisions cause investor confusion. A policy ecosystem enabling maximum benefit for countries is required.

What are the solutions?

Implementing global export bans can be a double-edged sword if the industry is not aligned on a coordinated strategy. Such bans could also take one to two decades to bear fruit.

A different solution would involve countries breaking down borders, creating regional centres of excellence, setting up value chain development that matches corridors (e.g., between the DRC and Angola), establishing common standards, and harmonising industry practice.

Furthermore, a commercially viable enabling environment that facilitates private-sector investment will help drive exploration. The question is then not time, but achieving critical mass, so that the process builds its own momentum. For now, the industry needs to take action, decide, monitor, provide feedback, and ultimately hold each other accountable.



Topic 2#:

Mineral rights and the policy changes required to expedite the process



What is the issue?

The first step to securing investment is the mineral rights process. To attract investment, the process needs to be streamlined and effective, rather than obscured by bureaucracy, red tape, and inefficiencies. Many African countries' permitting and licencing processes are onerous because of manual processing, a lack of state capacity, poor coordination between various agencies in the licencing value chain, corruption, and resource nationalism.

The mineral rights process must be balanced with the need to minimise environmental damage, ensure that communities benefit from the investment, protect the rights of investors, and provide incentives to maximise local value and long-term profit.

What are the solutions?

While there are no quick fixes, there is the example of Botswana, where the awarding of mineral rights takes 40 days from the date of application. These streamlined best practices are based on predictable timelines, achieved by optimising work flow processes, embracing technology to build greater transparency, and creating an investable jurisdiction that both protects investors and holds them to crucial obligations.

A country's minerals are an endowment for its people, and governments must manage mineral rights in their people's best interest. This requires a fair and transparent process and a one-stop shop where all permits, licences, and rights can be obtained.

Investors furthermore look for stability of contracts over long periods. Thus, rules and regulations relating to projects must also be clear, with an ecosystem for long-term infrastructure and the correct skills and education in place. Furthermore, local content rules need to match capacity and capability.

Geological surveys are vital to overcome the knowledge gap regarding mineral reserves. These surveys should be mainstreamed in mining development and harmonised regionally, as they create an enabling environment.

Reforms will also need to be part of the solution. For example, changes must be made to remove red tape and illogical regulations. Furthermore, technology is essential to access critical services, data, and a long-term vision to drive action. Greater regional harmonisation to create a common agenda or at least minimum benchmarks among countries will also need to be part of the solution.

Topic 3#:

Overcoming limited exploration spend



What is the issue?

Despite the potentially great demand for Africa's minerals, it remains difficult to fund projects given long lead times, a lack of geological information, and a volatile market environment with commodity price fluctuations.

Varying exploration rights and laws, a lack of stable and harmonised regulations across countries, long turnaround times in permitting and licensing, inconsistency in investment policies, and a lack of skilled resources can detract from exploration spend.

Limited geological data means that banks can be reluctant to fund exploration. Furthermore, a reliance on foreign capital comes with foreign investors' significant expectations and a potentially smaller project share, yet larger risk for the state.

Identifying critical minerals will need long-term strategies around where to compete and where not; how regional infrastructure challenges and other supply challenges are solved; where funding is sourced, and how African countries can collaborate, rather than compete, in the region

What are the solutions?

Immediate solutions are vital to take advantage of the opportunities. These should include reducing the turnaround time for licensing and permitting; upskilling and training local resources in both old and new skills (e.g., AI) in collaboration with, for example, universities and private sector players; greater harmonisation of policies, policy clarity, local content, and responsible mining; new funding options, and greater use of technology in exploration.

At a technical level, any solution requires making data available via a cadastral system, while ensuring policy clarity. Access to information and data should be open source, and blockers to innovation and agility should be removed. This can be achieved in a short period. For example, transparency around where mineral resources are available in Namibia provides clarity to stakeholders and can help create a stable framework to ride through the instability of commodity and political cycles.

Longer-term issues, specifically linking to funding and development, require political will, deliberate regional collaboration, and building and investing in education and critical skills curriculum across the project value chain from funding to sustainability-related issues.



The roundtables were moderated by individual table facilitators and supported by co-facilitators. A panel provided feedback on the topics of the roundtable discussions.

Panellists included:

- **Zama Dlamini**, Africa RiskAdvisory Director, Deloitte
- **Stewart Nupen**, Leader, Deloitte Technical Mining Advisory
- **Tonka Tshiamala**, Central Africa Mining Leader, Francophone, Deloitte
- **Moderated by Ian Sanders**, Global Mining & Metals Sector Leader, Deloitte





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