

China Mining Association

West and Central Africa Mining Regulatory Update

Trends in multi country mining regulations in West and Central Africa

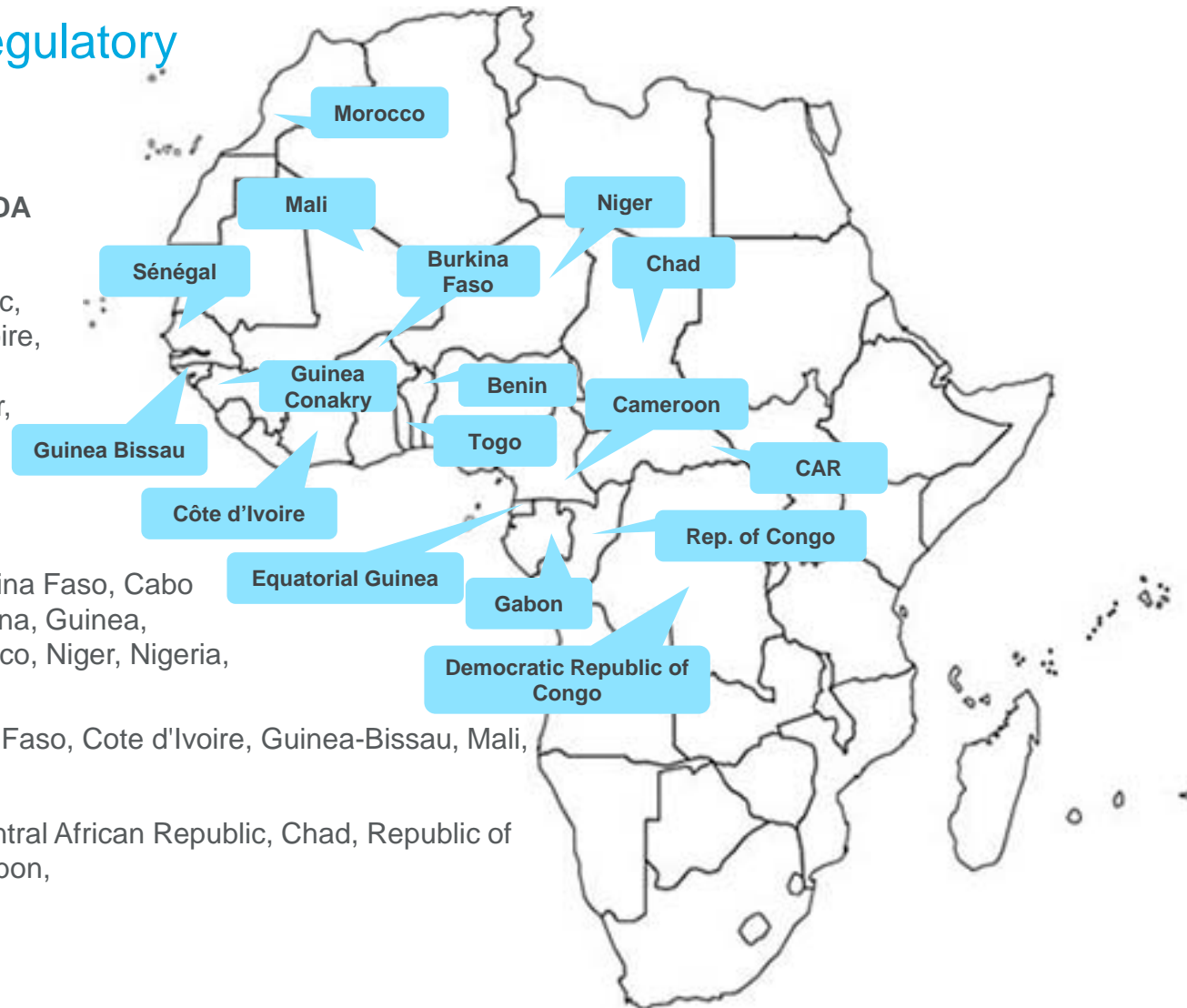
Multi-country mining regulatory landscape

- **Business Law Framework: OHADA**

- ✓ 17 countries: Benin, Burkina Faso, Cameroon, Central African Republic, Chad, Comoros, Congo, Côte d'Ivoire, DRC, Equatorial Guinea, Gabon, Guinea, Guinea-Bissau, Mali, Niger, Senegal and Togo

- **Mining legal framework**

- ✓ CEDEAO / ECOWAS: Benin, Burkina Faso, Cabo Verde, Côte d'Ivoire, Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Morocco, Niger, Nigeria, Senegal, Sierra Leone and Togo
- ✓ UEMOA / WAEMU: Benin, Burkina Faso, Cote d'Ivoire, Guinea-Bissau, Mali, Niger, Senegal, and Togo
- ✓ CEMAC / ECCAS: Cameroon, Central African Republic, Chad, Republic of the Congo, Equatorial Guinea, Gabon,



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Multi-country mining regulatory frameworks

- **Business law framework:** (OHADA) / OHBLA Organization for the Harmonization of Business Law in Africa - 17 countries.
- **Mining legal frameworks:**
 - ✓ (CEDEAO) / ECOWAS Economic Community Of West African States: 2009 Directive on harmonization of mining policies, 2012 Mineral resources development policy.
 - (UEMOA) / WAEMU West African Economic and Monetary Union: Community Mining Code adopted on December 22, 2003. **The revision of this code is in progress.** At this stage, no draft has been issued but a conference will be organized at the beginning of 2018 to start drafting. Social and environmental preoccupation should be the key of the future legislation. New rules should harmonize exemptions for mining operators and develop stability clauses.
 - CEMAC / ECCAS Economic Community of Central African States: **An ECCAS community mining code is in progress.** The new Mining Code should straighten the transparency of the mining sector, Innovations should be brought to the legal and tax frameworks but also to the social and environmental impacts of the mining industries, at this stage, a draft have been presented to the Member States and negotiations should begin by the end of August 2017

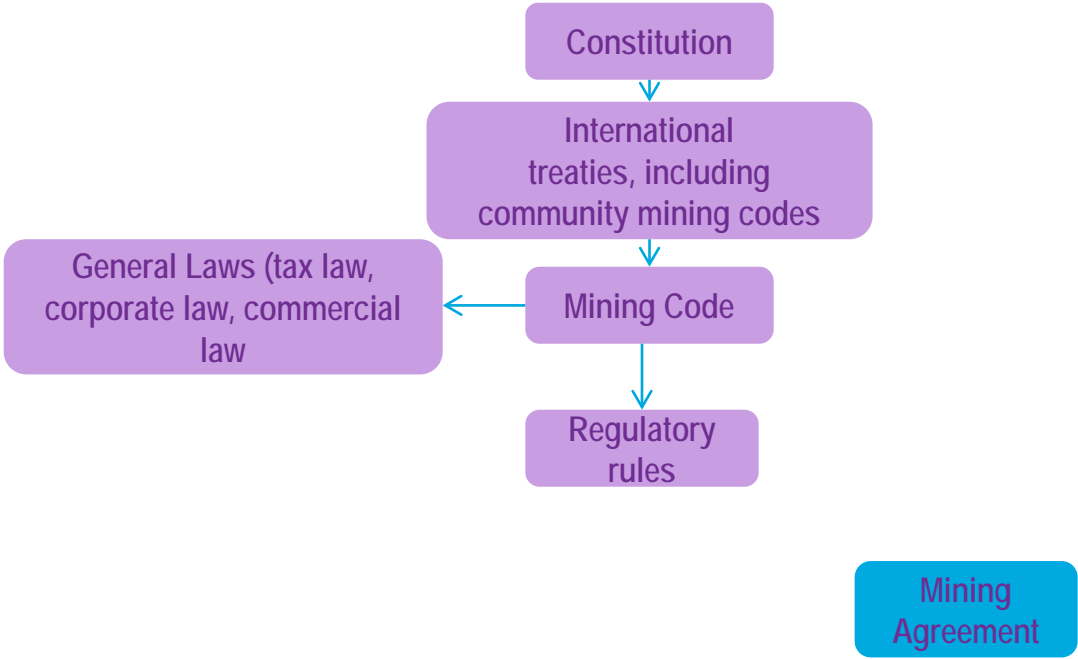
What is the objective and what are the anticipated impacts of these new mining regulations ?

How do they articulate with local mining Codes?

Trends in multi country mining regulations in West and Central Africa

Multi-country mining regulatory frameworks

Hierarchy of legal norms in Africa



Mining in West and Central Africa: Key issues update in recent mining codes

Recent mining codes

Country	Mining Code
Burkina Faso	
Côte d'Ivoire	
Congo B.	
Congo K.	
Mali	
Guinea	
Chad	
Gabon	
Cameroun	

Mining in West and Central Africa: Key issues update in recent mining codes

Stabilization of mining contracts

- Stabilization principle is in principle always provided for by mining codes in West and Central Africa.
- This is an unilateral guaranty granted by the State to the investor under which the State commits itself not to change the regulatory framework in a way that affects the economic balance of the project.
- *What are the different features of stabilization clause, for what level of certainty?*
 - *Scope*
 - *Duration*
 - *Conditions for change*

Mining in West and Central Africa: Key issues update in recent mining codes

Tax incentives

- Corporate income tax level and tax holidays during the exploitation phase
- *What are the key issues?*

Country	CIT rate	Tax holiday
Burkina Faso		
Côte d'Ivoire		
Congo B.		
Congo K.		
Mali		
Guinea		
Chad		
Gabon		
Cameroun		

Mining in West and Central Africa: Key issues update in recent mining codes

Royalties

- Royalty rates
- *What are the key issues?*

Country	Royalty
Burkina Faso	
Côte d'Ivoire	
Congo B.	
Congo K.	
Mali	
Guinea	
Chad	
Gabon	
Cameroun	

Mining in West and Central Africa: Key issues update

State free carry

- States are usually granted a free-carry in mining companies
- In some countries, the State can also increase its shareholding
- *What are the key issues?*

Country	Mining Code
Burkina Faso	
Côte d'Ivoire	
Congo B.	
Congo K.	
Mali	
Guinea	
Chad	
Gabon	
Cameroun	

Mining in North, West and Central Africa: main ores

COUNTRIES	ORES
ALGERIA	Phosphate , iron, tin, feldspath, lead, zinc
TUNISIA	Phosphate , iron, lead, zinc, sea salt, phosphoric acid
MOROCCO	Phosphate , iron, zinc, lead, copper
SENEGAL	Phosphate , iron, gold, silver, coal, bronze, titanium, zircon
GUINEA	Bauxite, gold, diamonds, aluminum , graphite, iron, limestone, manganese, nickel, uranium, cobalt, zinc, lead
MAURITANIA	Iron, gold, copper
IVORY COAST	Diamonds, gold, manganese
MALI	Gold , bauxite, iron, diamonds, manganese, phosphate, uranium, tin, limestone, nickel, lead, zinc, uranium
NIGER	Uranium , coal, gold
BURKINA FASO	Gold , manganese, zinc, phosphate, limestone, iron, titanium, dolomite, bauxite
TOGO	Phosphate, gold, limestone, cement , diamonds, bauxite, iron, manganese, marble, zinc, gypsum, rutile
CHAD	Gold, limestone, salt
CAR	Diamonds
CAMEROON	Diamonds, bauxite, aluminum
GABON	Manganese, diamonds, copper
CONGO (DEM. REP.)	Copper, zinc, cobalt, diamonds, gold
CONGO (REP.)	Copper, iron, phosphate
MADAGASCAR	Iron, manganese, titanium, gold, silver, platinum, bauxite, copper, silver, magnesium, radium...

Thank you

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